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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS; Senate continued debate on farm bill. Senate passed Treasury-Post Office appropriation bill for 1957. House passed independent offices appropriation bill for 1957. Rep. Grant lamented the decline in farmers' income and the cost-price squeeze, and, joined by several other Representatives, urged action to improve the farmers' economy. Received from Attorney-General draft legislation to authorize donation of surplus commodities to Bureau of Prisons.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. p. 3673
Sens. Hayden, Ellender (for Sen. Douglas), Martin, Case of S. Dak., Bricker, O'Mahoney, and Bennett submitted amendments intended to be proposed to the bill. p. 3661
2. APPROPRIATIONS. Passed with amendments H. R. 9064, the Treasury-Post Office appropriation bill for 1957. Senate conferees were appointed. p. 3670
3. PRICE SUPPORTS. Sen. Langer inserted a local Republican Party resolution urging support for the 90 percent of parity provision in the farm bill. p. 3651
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5. FORESTRY. Sen. Morse inserted a local labor union resolution favoring the amendment of existing trade agreements for greater protection of the plywood industry. p. 3653
6. PERSONNEL. Sen. Morse inserted a local labor union resolution favoring liberalization of annuity payments under the Civil Service Retirement system. p. 3654

7. FOREIGN AFFAIRS. The Judiciary Committee reported with an amendment S. J. Res. 1, proposing an amendment of the U. S. Constitution relating to the legal effect of certain treaties and international agreements (no written report - to be filed later). p. 3654

8. WHEAT. Sen. Neuberger inserted a Wheat Growers League resolution favoring the domestic parity plan for wheat. p. 3668

HOUSE

9. APPROPRIATIONS. Passed with amendments H. R. 9739, the independent offices appropriation bill for 1957. The amendments agreed to included an increase of \$5,386,030 for the FCDA disaster relief funds, a deletion of language authorizing eleven supergrade positions in GSA, and a deletion of language making ineffective the compulsory retirement provisions as contained in the original bill. p. 3623

10. RECLAMATION. Conferees on S. 500, to authorize the construction, operation, and maintenance of the Colorado River Storage Project, were appointed. p. 3621
Senate conferees were appointed on Mar. 2.

11. FARM PROGRAM. Rep. Grant and several other Representatives lamented the decline in farmers' income and the effect on the family-sized farm of the cost-price squeeze. Rep. Grant urged favorable consideration of his bill H. R. 9703, to authorize direct payments in cash to cotton producers who complied with acreage allotments for 1954, 1955, and 1956. p. 3642

12. COMMODITIES. Both Houses received from the Attorney General a draft of legislation to authorize the donation to the Prison Bureau of commodities acquired through price support operations; to the Senate Agriculture and Forestry Committee and the House Agriculture Committee. pp. 3648, 3651

13. PEANUTS. Rep. Grant offered a "salute to Mr. Peanut" on the occasion of National Peanut Week. p. 3621

ITEMS IN APPENDIX

14. RECLAMATION; ELECTRIFICATION. Sen. Morse inserted a Springfield (Oreg.) Utility Board letter supporting the proposed high Hells Canyon Dam and opposing the program of the Idaho Power Co. for its low dam. p. A2097

15. FOOD AND DRUG. Sen. Hill inserted a newspaper editorial reviewing the history of the Food and Drug Administration. p. A2098

16. FISHERIES; WATER RESOURCES. Extension of remarks of Rep. Colmer expressing concern over the resolution adopted by the Inter-American Council of Jurists dealing with the legal extent of territorial waters and related matters to which the U. S. was compelled to take "strong exception." p. A2105

17. BUDGET; EXPENDITURES. Rep. Fulton inserted the recent address of Rep. Simpson describing the accomplishments of the administration and the Congress in restoring fiscal responsibility at the national level. p. A2109

18. SMALL BUSINESS. Rep. Hays, Ohio, inserted Eric Sevareid's recent article explaining the "plight" of small business. p. A2112

experience in Connecticut for example has already eliminated local opposition to the Thomaston flood-control dam, which was blocked for years by local landowners and industrialists. It will also be a factor to help weaken local opposition to similar flood-control projects in Vermont and New Hampshire and Massachusetts.

Stevenson, in his speech, was obviously trying to take advantage of the ravages of the flood to make a little political hay in Connecticut. Judging from the work the Federal Government has already done and has planned, Stevenson did not pick a really good issue.

Connecticut: Tabulation of Federal assistance in floods of August and October 1955 as of March 1, 1956

Corps of Engineers.....	\$20,546,255
Department of Agriculture (includes loans amounting to 21,338).....	3,934,338
Small Business Administration (loans).....	18,956,878
FCDA allocation.....	1,000,000
HEW (salaries, per diem, travel, telephones, etc., over and above normal administrative expenses only and in no way represents an evaluation of the services performed).....	34,280
Bureau of Public Roads.....	6,571,150
GSA.....	2,213,500
Department of Defense (also channeled 560 procurement actions to Connecticut with a total of \$642,316,773 from August 1955 through February 11, 1956. Not all of these, of course, were channeled into the area solely because of the flood).....	5,000,000
H&HFA.....	539,221
Community facilities.....	20,300
Urban planning grants approved.....	155,709
Urban renewal advances approved.....	363,212
Treasury Department (defense loans).....	13,871,000
Total Federal.....	72,666,622

AGRICULTURAL ACT OF 1956

Mr. ELLENDER. Mr. President, I now ask for the regular order.

The ACTING PRESIDENT pro tempore. The regular order is the unfinished business.

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. SMITH of New Jersey. Mr. President, in his message to the Congress on the problems of our agriculture, President Eisenhower stressed his concern over the increasingly difficult paradox of our farm families. He stated that "Although agriculture is our basic industry, they find their prices and incomes depressed amid the Nation's greatest prosperity." It is indeed a deplorable fact that the farmers have not shared the prosperity which has blessed this country during the last few years.

It is therefore of prime importance that means be adopted which will foster the development of a healthy American agriculture. We are faced with the necessity of attempting to establish the basis for such a long-range development, rather than a hasty patchwork which will merely postpone to another day the

inevitable reckoning caused by overproduction and the accumulation of surpluses.

There is no doubt that the tremendous surpluses which hang over the farmer's markets are serious depressants upon his income. The steady accumulation of ever larger surpluses, which has continued despite unprecedented disposal efforts by the Department of Agriculture, must be halted, and the surpluses must be drastically reduced before any sound, long-term basis can be laid for the improvement of agricultural prices.

This is what the President recommended in his message to Congress. The soil bank, which he proposed, and which the bill establishes, is aimed directly at providing for the reduction of production and surpluses without loss of income to the farmer. By eliminating millions of acres from production through farmer participation in the acreage and conservation reserves, supply can be reduced to approach demand, and surpluses reduced toward the point where the squeeze on the farmer will be alleviated.

In addition, the retiring of these acres will be of considerable assistance to the farmers of other crops whose markets have suffered from the diversion of many acres from basic commodities to the production of feed grains, vegetables, and potatoes. The diversion of acres from the production of basic commodities has seriously endangered the income of farmers who neither have nor seek price supports. The use of the soil bank to retire acres from production will reduce the amount of future diversion to other crops, and will be welcome news to the vegetable and potato producers, such as those in my State of New Jersey, where we have about 175,000 acres producing vegetables and potatoes worth well over \$40 million a year. Thus the soil bank should have a beneficial effect throughout our agriculture, as well as directly attacking overproduction and surpluses of basic commodities.

Yet this bill also paradoxically embodies provisions which will obviously generate forces for further overproduction and surpluses. I refer, of course, to high rigid price supports for the basic commodities. How can the Senate possibly reconcile the basic inconsistency of a bill which on the one hand establishes a billion-dollar program for the reduction of farm surpluses and overproduction, and on the other hand turns around and encourages production and surpluses through the restoration of high rigid price supports?

The restoration of price supports to the level of 90 percent of parity will not only encourage and stimulate production at a time when we are actively trying to reduce production, but will react in other ways to further increase the surpluses held by the Commodity Credit Corporation. Rigid high price supports cannot help but reduce consumption to a certain degree as the high price supports are carried to the consumers in high prices for their purchases. Any reduction in consumption adds to the quantities of commodities placed in the Government surpluses. Furthermore, high fixed price supports will continue to price

American agricultural commodities out of the world market and reduce the agricultural exports of such items. Any reduction in agricultural exports adds to the quantities of commodities placed in Government surpluses.

The restoration of fixed price supports at 90 percent of parity is a complete contradiction to the soil-bank program which holds so much promise of reducing Government surpluses to the point where farm income can be restored to appropriate levels and the basis of a stable agricultural economy established. The President's program has shown the way; we should not encumber a long-run solution to this problem with self-defeating provisions for the restoration of rigid price supports at 90 percent of parity as this bill proposes.

Therefore, Mr. President, I shall vote in favor of the amendment offered by the distinguished junior Senator from New Mexico [Mr. ANDERSON], the senior Senator from Vermont [Mr. ARKEN], and other Senators, which will strike out the section of the bill restoring high rigid price supports to 90 percent of parity.

Mr. CURTIS. Mr. President, I wish to speak on an amendment I will offer at the appropriate time to the agricultural bill. My amendment is identical with a bill already introduced, S. 2940. Eighteen other Senators joined me in the introduction of that bill.

We are today considering an agricultural bill which appears to carry some new features. Actually, we are proceeding upon the same plan and outline that has been followed for at least the last 20 years. It is a plan of reduced production. It is a negative approach. It has many limitations. While I expect to vote for the bill, it is exceedingly important that we find a less costly and permanent solution.

As I travel up and down the great State of Nebraska, which I have the opportunity to represent, in part, in the United States Senate, I find that one of the most frequent complaints made against the farm program is the reduced acreage imposed upon the farmers. The small- and middle-sized farmers have had their production cut and cut and cut. The number of acres they are permitted to plant does not leave enough to enable them to run a sound and efficient operation.

In support of this contention I wish to read a few brief excerpts from some of the many letters that I have recently received.

A Gosper County farmer writes to me as follows:

I was wondering if there was any way to help us small farmers. I have 420 acres of which 152 are farmland and they allow me 32 acres wheat and 8 acres of corn. Mr. CURTIS, do you think you could make a living on this amount of acres?

A Nuckolls County farmer writes:

This acreage allotment is a joke. Never did work and never will work. To tell a small farmer that he can sow 20 or 30 acres of wheat on 160 acres and maybe 40 acres of corn. Then he has a short crop.

And a Furnas County farmer writes to me, his Senator, and among other things, he says:

The program dictates who can profit and who can't. The history for allotments was based on a 2-year history which is very unsound. Men who are dishonest profit most. Honesty is penalized.

Listen to what an Otoe County farmer has to say and what he did about acreage allotments:

I am what may be termed a family-sized-farm farmer. I farm 180 acrs of Otoe County land. The acreage allotments of the past few years were ruining me so I took to raising hogs. I have for several years fed around 300 head of hogs and in doing so have fed several times as much grain as I raised. But I am in trouble now.

A Red Willow County farmer writes:

I definitely think that 30 to 50 percent increase in the land price which we have experienced in the last 4 years is a direct result of acreage allotments.

A farm couple in Seward County have this to say:

Our most serious problem is how to stay on this farm and we believe your most serious problem is how to keep us here. We still maintain the only way anyone farming under 200 acres can stay on the farm is to plant all his acres and then receive a fair price for these products.

We have seriously considered buying more land to secure additional allotments; many are doing just that. But we question a debt of \$40,000. How many farm families can do this—go broke with adverse weather conditions and not affect the whole economy?

An Adams County farmer puts his finger on the problem and says:

There is no simple solution to this crisis. The answer will be found only by careful analysis of the entire farming industry and the present and potential market for the products of the farm.

Let us consider the situation of the American farmer. Is it wrong for him to follow the best direction and instruction that he can receive in an agricultural college to improve the quantity and the quality of his production? Has it been a mistake to encourage 4-H Clubs and the work they are doing? Is it wrong for a man to try to produce more and better cotton, or potatoes, or wheat, or corn, or any other farm product?

If this negative approach to agriculture is a good thing, then why should we not idolize and honor the sloven and careless man whose production is poor?

In my State we are blessed with a great natural resource in our underground water. We perhaps have the greatest supply of underground water that exists anywhere in the world. Is it wrong for a man who owns some broad fertile acres, which were perhaps owned and farmed by his father and his grandfather, to use some of that underground water to increase his production? That increased production may be absolutely necessary in order for him to remain on that land and to protect himself from the ravages of drought. I say that if that is wrong, then it is wrong for other farmers located elsewhere to use the sunshine which a beneficent providence sends upon us all, in order to make crops grow.

The productivity capacity of our farmers is increasing rapidly. This is as it should be, and the market for the surpluses can only come from profitable,

industrial uses of these surpluses here at home. After all, surpluses of agricultural products should be a blessing and not a burden.

Mr. President, the potential capacity of American agriculture is almost unlimited. The high costs of operating a farm are such that we cannot solve this problem merely by asking a further and further reduction of acreage or bushels on the part of the farmers. Such a program is particularly hard on the small and family size farm, which is already so restricted that its unit becomes a costly operation. Such a program has not worked satisfactorily in the past. We have controlled the farmer, we have even harassed him and dealt with him rather harshly, but we have not controlled the overall national production. Nature and the elements are still factors. The basic natural and economic laws have not been repealed.

What shall we do with the present surpluses? There are those who suggest that we expand our foreign markets. I would not say that we cannot make some little gain in increasing our foreign trade. I do say the picture has changed a great deal in recent years. Many nations that were deficit food areas are now self-sufficient. Many other nations that were deficit food areas are now troubled with a surplus. There is no reasonable hope that we can solve our agricultural problems through increased foreign exports. Actually our exports are below what they were 5 years ago.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD a table showing our exports for the last 5 crop years.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States exports of agricultural products, crop year July 1-June 30

[In millions of dollars]

	1950-51	1951-52	1952-53	1953-54	1954-55
Total agricultural					
al.....	3,411	4,053	2,817	2,936	3,143
Wheat.....	646	976	588	375	404
Wheat flour.....	83	85	81	75	89
Corn.....	205	160	227	186	129
Cotton.....	934	1,189	571	674	684
Tobacco:					
Flue cured.....				256	260
Burley.....	273	327	285	16	14
Dark fired.....				10	11
Soybeans.....	81	49	93	126	145

Mr. YOUNG. Mr. President, will the Senator from Nebraska yield at this point?

Mr. CURTIS. I am delighted to yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Does the Senator from Nebraska have any figures showing the imports of agricultural commodities during the same 5-year period?

Mr. CURTIS. I am sorry to say that I do not have.

Mr. YOUNG. I think the Senator from Nebraska would find, on checking them, that imports of agricultural commodities have increased during the same 5-year period.

Mr. CURTIS. There is no question about that. Certainly we cannot main-

tain the more-or-less artificial market for farm products in the United States, and do so effectively, without shutting out the imports. It is just as necessary to shut off the imports as it has been, under the theory followed, to reduce production in the United States.

Mr. President, the ultimate and the long-time solution of our agricultural problems is not to be found in the negative philosophy involved in paying the farmer not to produce, or in destroying that which has already been produced, as has been unsuccessfully tried in the past. We should continue to increase production and to improve production; and we should find new and profitable uses in industry, through research. Most of this knowledge is already available from scientists of our past generation, and has simply not been applied to industry.

In industry, there are many uses for our agricultural production. At the present time the Government of the United States is buying large quantities of industrial alcohol. Think of it, Mr. President. We complain that the storage bins of the country are overflowing with grain, some of it spoiling; and we sit idly by, and hope, and let it spoil. A great deal of this grain belongs to the United States Government. It could be turned into industrial alcohol, and thus could make a distinct contribution to our national defense program. Instead of that, we buy industrial alcohol from other sources.

I am told that alcohol is used in considerable quantities as fuel for rockets, guided missiles, turbojets, and reciprocating engines. I am also told that the alcohol that the taxpayers of America are buying for our defense program has come in the past from two principal sources. One of those sources is blackstrap molasses produced outside the continental United States.

Mr. President, I ask unanimous consent to insert at this point in the RECORD a table showing the importation of blackstrap molasses in the last 5 years.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Importation of blackstrap molasses, industrial (not fit for human consumption)

[Millions of gallons]

Country	1951	1952	1953	1954	1955
Cuba.....	130	186	291	203	260
Mexico.....	25	22	32	38	35
Dominican Republic.....	17	28	26	24	30
All other.....	56	60	61	76	60
Total.....	228	296	410	341	385

Mr. CURTIS. The other source of this alcohol is petroleum, a resource that can be, and is being, depleted. Yet this alcohol can be supplied from our surplus farm crops. It can be made from the products of our soil which can be reproduced year after year, and with wise husbandry and conservation our soil at the same time can grow richer and richer. Such a program can be the dominant factor in bringing stability and prosperity to agriculture, and, along with it, can restore freedom to the American farmers.

A study of broader industrial uses of agricultural products points to many areas which it is feasible to examine.

In recent years the Department of Agriculture has carried on rather extensive research into the use of industrial alcohol as fuel for combustion engines. In a report published in 1954, the Department stated:

Alcohol motor fuels constitute the largest single industrial market in the United States that could theoretically absorb a grain product in almost any available quantity. On the basis of 2½ gallons of alcohol per bushel of grain, each 100 million bushels of grain would yield 250 million gallons of alcohol. This amount of alcohol is equivalent to but one-half of 1 percent of the annual domestic gasoline consumption.

Mr. President, certain foreign countries have used alcohol for motor fuel both solely and as a blend with gasoline. Under our current operations, alcohol could be used most successfully by mixing anhydrous alcohol with gasoline to improve its octane quotient.

It is estimated that in the year 1955 the motorcars in the United States consumed over 55 billion gallons of gasoline. The consumption of gasoline in the United States is rapidly increasing every year.

Were we to blend alcohol in this gasoline to the extent of 5 percent, it would require 2,775,000,000 gallons of alcohol.

Each bushel of grain will produce 2½ gallons of alcohol. In other words, to produce enough alcohol from grain to put 5 percent alcohol in the gasoline we consume would require more than 1 billion bushels of grain. Just think of a potential order for a billion bushels of grain. A 3 percent blend of alcohol in the gasoline sold in the United States would require surplus grains to the extent of over 650 million bushels.

The United States Department of Agriculture, in its report, based on the work of the agricultural research service at Peoria, Ill., said on June 9, 1954:

Because of extensive practical experience in the use of alcohol-gasoline blends in foreign countries and laboratory and road studies made in this country, it is evident that the use of alcohol as a fuel for internal combustion engines is practical from the technological standpoint.

We are aware that this subject also involves a question of national policy. It involves questions of economics, marketing, and fuel technology. Time is needed to prepare legislation. That is why my proposal calls for a commission.

Congress should have an opportunity later to pass upon the proposals of the commission. There should be appropriate hearings, and the necessary legislation should be prepared.

The same report from the Department of Agriculture continues:

When considered in relation to other possible alternatives for the disposal of grain, there are additional advantages that would accrue from the fermentation of grain into alcohol. Not the least of these is the production, as a by-product, of 800,000 tons of high value protein feed from each 100 million bushels of grain fermented. Benefits would also accrue from the saving of various charges now incurred in the storage of grain.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CURTIS. I am delighted to yield to the distinguished Senator from North Dakota.

Mr. YOUNG. I am greatly interested in the proposal the Senator is making. It seems to me to make sense. This would be one way to dispose of agricultural surpluses and put them to good use.

Is it not true that just as much alcohol could be made from poor quality grain as from good wheat, and sometimes more?

Mr. CURTIS. That is very true. The same amount of alcohol could be made from grain which is spoiling or deteriorating, or from potatoes which have spoiled, as can be made from the choicest grain.

Mr. YOUNG. I should like to speak of a little experience we had in North Dakota. Early in the war—I believe it was 1943—we had a great deal of sprouted wheat. It was being discounted on the market, up to 50 cents a bushel. There was an alcohol plant in operation at Omaha at that time. It was found that the sprouted wheat actually produced more alcohol per bushel than top quality, No. 1 wheat. As a result, the price of sprouted wheat immediately went up to as high a level as the price of the best wheat.

Mr. CURTIS. Let me ask the Senator what would have happened with respect to finding a market for that wheat if the outlet to which he refers had not existed?

Mr. YOUNG. A terrific loss would have been taken. At least 30 percent of it was badly sprouted.

Mr. CURTIS. I thank the Senator. Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CURTIS. I am delighted to yield to the distinguished Senator from New Mexico.

Mr. ANDERSON. Can the Senator tell us what has happened to the alcohol plant at Omaha and the alcohol plant at Muscatine, Iowa?

Mr. CURTIS. They are closed at the present time.

Mr. ANDERSON. Does the Senator know why they were closed?

Mr. CURTIS. Yes. I have been engaged in that controversy for many years. Senators will hear something on that subject on this floor in the near future. There will be a discussion concerning the proposed reopening of the plant at Omaha.

Mr. ANDERSON. Let me say to the Senator that at the time the plants were closed, our supply of wheat had gone down, and we had begun to scrape the bottom of the barrel with respect to wheat. We got down to a carryover of 87 million or 89 million bushels. People all over the country said, "We shall never have another surplus bushel of wheat as long as we live." If those alcohol plants could only have been retained in some sort of standby condition, it is my thought that they could have taken care in large measure of the very serious surpluses which have occurred during the past few years.

Mr. CURTIS. The Senator is so right. Mr. ANDERSON. I have steadily maintained that one of the obligations of the Department of Agriculture is to see that we have enough production. We had better sin on the plentiful side rather than the slack side. Every time there is a scarcity, we have extremely high prices. Then there is a slacking off of demand, and we get into trouble.

Mr. CURTIS. In other words, a man can wait for someone to make him an overcoat or an automobile, but he must have food now.

Mr. ANDERSON. The Senator is correct. I have always contended that the calculation should be a little on the liberal side, but that the farmer should not pay for it. A similar situation exists in connection with an insurance policy. One does not expect to have a fire in his dwelling every year. Insurance rates are based upon the calculation that a fire will occur in a dwelling, on the average, once every 400 years. That is the calculation upon which the rate is based. One does not expect to have a fire every year. Neither do we expect a shortage of grain every year. It is my contention that if we were to sin a little on the side of being overly liberal, we could feed the surpluses immediately into consumption. The Omaha alcohol plant is not the only method. Under such a plan as I envision the farmer would always start with a fairly satisfactory market, but there would be a capacity which could be quickly expanded to take care of any emergency.

I had to contend with those who were headed in the direction of economy, and who insisted that these great alcohol plants be closed. However, I thought then, and I think now, that such action was unfortunate.

I do not know whether I agree with the Senator that we need a commission to decide this question. Perhaps we could decide it in Congress. But if we cannot, I think it would be very wise if, on our agricultural planning, we were not only to look at the existing alcohol plants, but consider other measures. Let us put a floor under the consumption of agricultural commodities, as well as some sort of floor under production, so that we shall always have enough.

The food-stamp plan advocated by the Senator from Vermont [Mr. ARKEN] is a floor under consumption. The distribution of surplus agricultural commodities to people on relief, and to the aged and infirm, represents a floor under consumption. There are many methods that could be used. The alcohol plant is one of the quickest and easiest of all. We feed grain into it and take out industrial alcohol. Whenever we buy insurance, we must pay a little premium for it, if it is any good.

Mr. CURTIS. I thank the Senator from New Mexico. I am especially indebted to him because I know of the long experience he has had in the agricultural field and his distinguished service as Secretary of Agriculture.

Let me state at this point the reason why I am suggesting a commission. I shall discuss that question at greater length a little later.

It is conceivable that a plan might be devised which would affect competitive motor fuels. It might involve our policy as to taxes, or other things. I do not know what might be proposed. However, I believe there is sufficient merit to this proposal to warrant asking those best qualified to give their ideas, to draft suitable legislation, and to submit it to the Congress a year from now. I do not believe it could be done at this time, or during this session of Congress. I do not believe the Department of Agriculture or the Congress could make an adequate study in the limited time left.

Mr. ANDERSON. Mr. President, will the Senator further yield?

Mr. CURTIS. I yield.

Mr. ANDERSON. We are now starting an export program under a very good law, Public Law 480, which I have supported, and which other members of the Senate, Committee on Agriculture and Forestry has supported. It involves the disposition of surplus commodities. I am sure the Senator from Nebraska must have read in the press that as soon as the announcements was made of the disposition of some cotton, India made a protest. Egypt made a protest. Protests were made on every side.

If we were to begin tomorrow to dispose of all our surplus wheat, Canada would enter a protest. Australia would protest. Argentina would protest. But if we were to feed it into an alcohol plant, we would not have protests from abroad. I do not believe it would cost much more to operate these plants. I know a little about the cost of operating such plants, because I operated five of them. It might cost a little more to operate them, but I do not think it would cost quite as much as it costs to make some of the dispositions we now have to make under Public Law 480, a law which I vigorously supported.

A few days ago we made a deal with Pakistan. We made another with Indonesia. As I understand—I may be mistaken, but I do not think I am far wrong—all the money from Indonesia was to be in their soft currency, and a large portion of it was to remain in Indonesia, for public works for the benefit of Indonesia. That does not return much money to the United States Treasury. If we are to lose that much money, it might be a great deal better to lose it in an operation of the character described by the Senator than in an operation which seems to cost us some of our friends abroad.

Mr. CURTIS. I thank the distinguished Senator from New Mexico. He is absolutely right. I hope he will bear with me a little longer. I should like to state some facts with respect to the petroleum industry, with reference to how it might be affected if we were to bring about a program for blending a small amount of alcohol with motor fuel.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. CURTIS. I am glad to yield to the Senator from Wyoming.

Mr. BARRETT. I wish to concur in the remarks made by the distinguished Senator from New Mexico [Mr. ANDERSON] a moment ago. While I have fa-

vored and have urged various departments of Government to conclude agreements to dispose of the surpluses, to Israel, to Pakistan and to other countries—and I have also asked them to give consideration to the possibility of furnishing a considerable amount of beef to the South Koreans—nevertheless it has occurred to me that we could very well afford to give the same consideration to the people of our own country who are in distress and who could use a like amount of surplus commodities, perhaps at reduced prices, or even on a grant basis.

I wish to say to the distinguished Senator from Nebraska that he is certainly to be commended for bringing the subject to the attention of the Senate and the country. I come from a State which is one of the largest oil producers in the United States. I believe we are sixth in oil production. Ordinarily one would imagine that I would be very much opposed to the production of any fuel which would be in competition with our crude oil.

By the same token, we have in our State and in Colorado the largest deposit of oil shale in the whole world. A few days ago I appeared before the Committee on Appropriations to urge appropriations for research work, so that when the time came when we needed oil from oil shale, we would be in a position to furnish it to the American people. That is in the nature of an insurance policy. It guarantees us for the next thousand years sufficient fuel for our country.

It seems to me the Senator from Nebraska has brought up a very important matter for the consideration of the Senate, namely, the use of a small part of our production of grains in the manufacture of alcohol for blending with crude oil.

I remember that about 17 years ago the Secretary of the Interior said we would be running out of crude oil in about 15 or 20 years. We now have every reason to believe that our reserves are greater than they have been at any time.

I am not one who believes that the country will run out of crude oil at any time in the foreseeable future. However, I can say that 40 years ago to drill a hole 2,500 or 3,000 feet deep was a tremendous undertaking. At that time it took them from 6 to 9 months to drill that kind of hole. We were then searching for shallow production. Today we drill holes 5,000 feet deep in a matter of 3 days. A good many wells are drilled as deep as 15,000 or even 20,000 feet.

That shows that we must go deeper and deeper all the time to get oil. The time will come in this country when we will need to use blends of some kind in the production of motor fuel.

Mr. CURTIS. I am deeply indebted to my friend, the distinguished Senator from Wyoming. He is well versed in the economies of the petroleum industry. Am I not correct in understanding that it is to the interest and advantage of the petroleum industry to have a sound and prosperous agriculture in this country?

Mr. BARRETT. It certainly it; there can be no question about that.

Mr. CURTIS. Taking the industry in its entirety—wholesale, retail, produc-

tion, refining, and so on—it represents a sizable group of taxpayers. Is that correct?

Mr. BARRETT. There can be no question about that.

Mr. CURTIS. Therefore, a farm program which can be operated at a reasonable cost to their advantage. Is that not correct?

Mr. BARRETT. That is undoubtedly true. For that reason, we believe it is altogether proper to develop for the immediate future and for a long time to come a policy under which our country will have fuel with which to protect itself under all conditions.

I might say that I have always marveled at the way the people of Germany under Hitler were able to carry on their operations during World War II with synthetic fuel. Of course we had available to us the highest grade of crude oil in the world, and we were able to supply that fuel not only to our own fighting forces but to our associates in that war period. Yet our enemies were able to carry on very successfully with synthetic fuels. That shows that we ought to prepare ourselves for the day which may come, some time in the future, when we may have to rely on synthetic fuels.

Mr. CURTIS. In this industrial age agriculture must share in the industrial market, or it will always be a crippled industry and at a disadvantage with relation to other industries.

Mr. BARRETT. I should like to ask one more question, if my friend from Nebraska will bear with me a few moments. As I understand, the Senator in his discussion stated that the grains which are not suitable for human consumption can be used for the production of alcohol. Is that correct?

Mr. CURTIS. That is correct.

Mr. BARRETT. I believe that is very important. Such production will at least provide an outlet for a good many of the grains which are produced but which are not desirable in the markets of this country.

Mr. CURTIS. Alcohol can be stored indefinitely, although that is not necessary, because uses can be found for it immediately.

Mr. BARRETT. I wish to thank the Senator for his very fine presentation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CURTIS. I am very happy to yield to the distinguished Senator from Vermont, who has been for so many years a member of the Committee on Agriculture and Forestry and has served as the committee's chairman.

Mr. AIKEN. The subject which the Senator from Nebraska is discussing should be of great interest to every Member of Congress. It is true that we are now struggling with the problem of surpluses, but we are making considerable progress in disposing of them.

As the Senator from New Mexico [Mr. ANDERSON] has pointed out, our Foreign Agricultural Service has sold about \$200 million worth of surpluses in the last week. I understand the prospects are very good for disposing of more.

Nevertheless, the objective of all of us should be able to get back to a reasonably full agricultural production just as soon as possible. Certainly we do not wish to restrict production sharply, because that is repugnant not only to our farm people but to all Americans.

The Senator from Nebraska is suggesting that a study be made to determine what best use may be made of the surpluses which we may anticipate for some years to come. As I say, we want full production or nearly full production in this country. It makes for full prosperity when we have full production on the farms.

While there may be some opposition even to a study being made of other uses for the surplus grains, particularly with respect to alcohol, I believe we must realize that we are nowhere near the limit of expansion of our economy. We are rapidly developing air travel, and if I am correctly informed alcohol plays an important part in the fuels of our airplanes of today, not only those designed for national security purposes, but for ordinary commercial purposes as well.

I do not know what the Commission which the Senator from Nebraska is proposing would find. I do not know whether it would find it feasible to use grain for alcohol. Certainly it would find it feasible to use deteriorated grain for alcohol.

Mr. CURTIS. My proposal to have a Commission draft proposed legislation would not empower the Commission to place in operation any program without further action by the Congress.

Mr. AIKEN. Of course not.

Mr. CURTIS. A vote for my amendment certainly would not imply that any Senator should approve in advance what the Commission might recommend. A Senator might wish to oppose its recommendations.

Mr. AIKEN. Unless we are willing to concede that we have reached the limits of our expansion, we had better be looking into the adequate and proper use of all our resources, and certainly we must be looking into every possible use of our surplus grain. In some years there is a great deal of wet grain which we have to use in some way or other. I understand such grain makes good alcohol. I for one, am not willing to concede that as a nation we are anywhere near the limit of the expansion of our economy.

Mr. CURTIS. I appreciate what the Senator has said. As proof of the fact that we have an expanding economy, a few weeks ago when I started this program anew, although I have been interested in it for years, I was using the figure of 36 billion gallons of gasoline a year. We now have a fairly accurate estimate for 1955, which is 55 billion gallons of gasoline a year. As we have greater need for more motor fuel, there is no reason why the American farmers should not have a part in this expansion without taking it away from some other interest.

Mr. AIKEN. It would take only a small part of the funds which the Congress is appropriating for the myriad of investigating committees to carry on the

work proposed by the Senator from Nebraska. I am satisfied in my own mind that that would do the country more good.

Mr. CURTIS. I thank the Senator from Vermont very much.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HRUSKA. The Senator from Nebraska, my good colleague, is aware, I am certain, of the important work being done by the various colleges of agriculture in the Middle West in the fields of chemurgy and the industrial uses of agricultural products. In addition to the work done by the colleges themselves in their research departments, there are research foundations of all kinds which also have entered that general field.

I should like to ask my colleague if it is not true that all the efforts which have been made and which are being made afford the basis upon which the Commission which he proposes will found its activities and continue its work from that point.

Mr. CURTIS. The Senator is correct. The results of the research of the past 35 years are at hand and are available. We have had the practical experience of other countries to draw upon, in addition to the great contribution by our own colleges, universities, and experiment stations. We have had field tests and road tests. All that knowledge is at hand. What is needed now is to have someone to translate that knowledge into legislation so that appropriate action may be taken.

Mr. HRUSKA. So far as the Senator knows, is there any place where a coordination or a collation of the information which specifically refers to the adaptation of farm products to industrial uses on a large scale has heretofore been made?

Mr. CURTIS. Only during the war was that done. At that time alcohol was produced for industrial purposes. From the alcohol, rubber and other articles were made. But since the war period that has not been done.

My senior colleague from Nebraska is so right when he says there needs to be a collating of all available information and the working out of a program and the writing of a bill, or bills, so as to give Congress an opportunity to pass legislation on the subject.

Mr. HRUSKA. On another point which has already been raised by my colleague from Nebraska the figures given of the consumption of gasoline in this country are astounding. Certainly the comparative figures which were used, namely, 36 billion gallons of gasoline consumed in recent years, and the present estimate of in excess of 55 billion gallons, demonstrate the dynamic growth of the petroleum industry, and also demonstrate to a large degree the drain on oil which is being made by the petroleum industry.

I am wondering if it is not true that a large part of the great consumption of gasoline is not accounted for by its use in running the farm industry itself; and if a blend of industrial alcohol were

injected into the gasoline which is used in operating tractors and other farm machinery, would that not have a historical precedent, in that prior to the use of the tractor on an almost exclusive scale the feed and motive power were raised right on the farm? Therefore, the use of industrial alcohol would be a means of returning to the same source, in part, at least, for fuel on the farms, which used to produce it in toto.

Mr. CURTIS. The Senator has a very good point. It is a subject about which I shall have something to say a little further in my statement.

SUPPORT PRICE FEED VERSUS LIVESTOCK PRICES— CHEMURGY OUTLETS FOR SURPLUS GRAIN

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. MALONE. The situation described by the senior Senator from Nebraska is not new at all, but it is a very practical one. It remains for such a committee to coordinate the information and the costs with the existing costs of fuel, rubber, and other material to determine if there may be ways and means to encourage the production through chemurgy processes to use the surplus grain.

Mr. CURTIS. The Senator is correct. In that connection, it must be borne in mind that many infant industries have had to have some help. At present, the United States Government is assisting civil aviation. The history of Government assistance in the development of railroads is well known. The same is true of many other industries. Some Government direction and help will be needed in order to get such a program as I have proposed underway.

THE 1934 TRADE AGREEMENTS ACT

Mr. MALONE. In that connection, so far as any help to agriculture, mining, or textiles is concerned, the contrary has been true. The Congress since 1934 has made our own markets in the United States available to cheap-labor countries through the 1934 Trade Agreements Act, as extended last year for 3 years. Instead of helping our own industries, we are destroying them. My bill, S. 2926, introduced on January 12, would return to the constitutional processes in the regulations of foreign trade and the national economy.

CHEMURGY INDUSTRIAL FOUNDATION REPORT

In 1944, the Western States Industrial Foundation report was published. I was managing director of that organization. The report covered the subject of chemurgy and the possibilities of utilizing farm products in the manufacture of industrial products.

It seems to me that the Senator from Nebraska is entirely correct. There is a great field available to us.

SUPPORT PRICES VERSUS LIVESTOCK PRICES

Is it not true that our support price for corn and other feed grains for livestock is supported by the Government at such a point now that it is impossible to feed the grain to the steers and hogs and break even selling such livestock on the open market?

Mr. CURTIS. I cannot answer the Senator's question. I realize that he points up a problem which is very real. The Senator's State of Nevada is located a considerable distance from the great Grain Belt. I represent, in part, a State which produces a large amount of corn. But this year we experienced a terrible drought. Stockmen, feeders, and others engaged in the livestock business who wanted corn had to buy it at about 105 percent of parity, plus the carrying charges. That is a very real problem. I do not know the answer to it.

Mr. MALONE. I want to help all I consistently can in the field which the Senator is now covering. After all, he is now really referring to the surplus of grain. The surplus of grain has resulted, in large part, at least, from the fact that the livestock feeders in our country are losing anywhere from \$20 to \$100 a head on the steers in the feed lots. If one pays \$60 a ton or \$3 a hundredweight for corn, and he gets 18 cents a hundred for the steers or cows, he will lose about 50 cents a day even if they make the usual gains.

So the feeders have taken the rap. They are very wary now. When they stop buying cattle and feed, that means the feed is stored at Government expense, and the stock raisers are without a market for their livestock.

EUROPEAN OUTLET

Another outlet for grain has been Europe. Grain has been going to Europe to a large extent, either at the world price or less. Secretary Benson has said that when he supplies foreign markets with low cost or free feed that the nations formerly supplying such markets are irritated about it and opposed to it.

GRAIN FOR MINERALS

Another point is that we are trading grain for minerals, thus shutting down our mines. We are simply shifting the weight around.

The suggestion which the Senator from Nebraska is making would result in a new outlet.

Mr. CURTIS. The greatest market for anything is right here in the United States. That is why the whole world wants our market.

GUMPTION NEEDED IN CONGRESS

Mr. MALONE. If we only had the gumption to maintain fair and reasonable competition through a flexible duty making up the difference between the wage-standard of living, taxes and the costs of doing business here and in the chief competitive country on each product we could maintain at least equal access to their own markets here for our workingmen and investors. I think the Senator is correct. The problem is to find new uses for the grain, in addition to the usual uses and to allow the price of grain to come within reach of the livestock men. Is not that the problem?

Mr. CURTIS. Yes, I think that is true.

Mr. MALONE. I thank the Senator.

Mr. CURTIS. Mr. President, before I yielded, I was making reference to the fact that in the manufacture of industrial alcohol from surplus farm products, for every 100 million bushels of grain converted into alcohol, there would be a by-

product of 800 tons of hard protein feed for livestock. I am reliably informed that the value of those protein byproducts would equal the manufacturing cost of the alcohol.

In the same report from the Department of Agriculture we find this very significant statement:

For more than 30 years Sweden has used a 25-percent alcohol-gasoline blend successfully. Prewar Germany, too, had an alcohol-motor fuel program, using blends of varying composition, to establish its agricultural economy. Excess sugar production resulted in the use of 10-percent blends in Queensland, Australia. From these and other large-scale experiences it appears that alcohol-motor fuel program is practical from a technological standpoint.

I do not believe that such a program would be adverse to the petroleum industry. Let us consider that situation. We must always be mindful that whenever we use petroleum products, we use a depletable resource.

On the other hand, if there is a crop that is grown on the surface of the land, and manage the land as good husbandry dictates, that product can be produced, and produced year after year, for all the years to come. From the standpoint of conservation, it is important that we conserve that which we cannot replace, and use that which we can replace.

We must also keep in mind that the farmers of America have a right to pro-

duce part of their own fuel for power. Many years ago, when all farming and local transportation was done with horses and mules, it required the production of many millions of acres to produce the hay, alfalfa, and grain needed to supply the animals that provided the power. The farmer has a just right to ask: "Why cannot we produce, on these same acres, part of the fuels needed for the power to operate farms and for transportation?"

Mr. President, I would also call attention to the fact that if a program were instituted whereby alcohol were blended in our gasoline, the great wholesale and retail outlets of the petroleum industry, as well as refining and processing activities, would still handle the same total volume of motor fuels. It could not hurt those branches of the industry.

It is also well to note that the motor fuel market in the United States has not been enjoyed solely by the producers of petroleum products in this country. We have imported vast amounts.

Mr. President, I ask unanimous consent to have printed in the record at this point, as a part of my remarks, certain figures and statistics on the importation of petroleum products.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Petroleum, United States imports, 1950-54

[Thousands of barrels and thousands of dollars]

	1950	1951	1952	1953	1954	1955 (11 months)
Crude.....	173,950	177,356	207,492	237,908	242,215	264,590
Value.....	\$369,208	\$374,869	\$438,972	\$509,850	\$544,176	\$593,024
Residual.....	123,037	121,969	132,192	134,824	132,283	137,321
Value.....	\$198,340	\$200,087	\$220,461	\$225,876	\$240,395	\$264,941

Mr. CURTIS. Mr. President, certainly the American farmers have as much right to a tiny part of the motor-fuel market in this country as have the foreign producers of petroleum.

I believe that the wise leaders in the petroleum industry will not seriously oppose a program of the kind proposed. I believe that when they are given all the facts, and have an opportunity to weigh them, any resistance which they may have will greatly diminish. After all, the petroleum industry, in all of its branches and phases, is quite an aggregation of taxpayers. They should be, and I am sure they are, interested in a farm program that is not so costly. I am sure that every filling-station operator, every driver of a tank wagon that supplies motor fuels to our farmers, and everyone engaged in wholesaling or transporting motor fuels, have a stake in American agriculture. It is to their advantage to have a prosperous and stable agriculture. If a program of blending alcohol with our motor fuels can provide material assistance to a sound and permanent solution to our farm problem, every business in the United States will be benefited by it, including the producers of petroleum.

As a Nebraskan, I take great pride in the contribution of our State in the

supplying of synthetic rubber in World War II. I refer to the rubber czar, Mr. William Jeffreys, who was appointed to that task. It was not a job that called for pious wishing; it was one that called for action. Mr. Jeffreys arbitrarily ordered the construction of industrial alcohol and synthetic-rubber plants, which successfully produced synthetic rubber for our war effort. It is too bad that we did not continue those rubber plants in full production, which used, as a base material, butadiene made from alcohol produced from crops not needed for human or animal consumption.

We can use great quantities of grain in the production of synthetic rubber. The alcohol from 1 bushel of grain will produce about 6 pounds of butadiene, and this, in turn, will produce about 6 pounds of synthetic rubber. It takes 350 bushels of grain to produce 1 long ton of synthetic rubber.

In 1955 the synthetic-rubber production in the United States amounted to almost 879,000 long tons. Had this synthetic rubber been made from alcohol extracted from surplus grains, it would have required 307 million bushels of grain. This is a sizable amount. If we manufactured synthetic rubber from this source, it would make a very material

contribution to the surplus problem the Nation faces.

In 1955 we used 632,000 long tons of natural rubber. Had this natural rubber been displaced by synthetic rubber made from alcohol made from surplus grain, it would have taken approximately 220 million bushels of grain.

Rubber, United States imports, 1950-55

[Long tons]

	1950	1951	1952	1953	1954	1955 (11 months)
Dry.....	747,848	678,085	757,769	572,104	522,365	457,328
Latex.....	54,401	54,963	48,223	75,511	74,483	79,305

Mr. CURTIS. Mr. President, the rubber market in the United States, and the increased rubber market that will develop, can provide a market for great quantities of the products of our farms.

Domestic cotton producers face a shrinking market, due to increased foreign production and increased domestic use of cotton substitutes. While cotton may not afford the wide opportunity for chemical research that is present in surplus grain, there are important objectives to be studied.

Chemical additives to cotton fabric result in materials which are flame-resistant, water-resistant, and wrinkle-proof. Cotton can conceivably be used in many end products now supplied by imported jute and hemp. Rug backing, twine, and bale coverings are ready examples.

There is the acute problem, also, of imported textiles which displace domestic production. This must be carefully studied.

A commission such as the one I propose can bring material benefits to every cotton farmer in America.

We have an opportunity to find a market for the surpluses with which we are plagued. Here in the United States there is a potential market. There is a way that we can legislate so that the farmers can once more be free of harsh controls, restrictions, limitations, and penalties. In that way we can permit the small family-sized farmers to make use of all of their acres, and find a market for the products of those acres in the United States. This is the only way that we can preserve the small and medium-sized farms.

Mr. President, the amendment that I offer is one which would call for a commission to prepare proposed legislation and present it next year for the consideration of Congress. This proposed legislation would carry the best recommendations the Commission could make for industrial uses of farm products. I do not know what the Commission would propose. I do know that there are many, many opportunities and many alternatives to which the Commission could turn. The duties of the Commission are set forth in section 2 of my amendment, which reads as follows:

It shall be the duty of the Commission to prepare and present to the Congress, not later than January 15, 1957, the necessary draft, or drafts, of legislation which in its opinion will bring about the greatest practical use for industrial purposes of agricul-

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the imports of natural rubber for the past 6 years.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

tural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

It might develop that in order to get an infant industry started in the use of these products, which plague us now, but should be a blessing to this Nation, such an industry would have to have some Government help. I remind the Senate that other American industries have gotten their start in a similar way. I need not call attention to how the great railroads of the country were established. The chemical industry and many other industries received protection and subsidies in order to get started. We have been, and are, subsidizing civil aviation in this country. The time has come when the Government of the United States must direct and lend a hand, so that the research already accomplished can be applied to industrial uses of farm products.

It is my opinion that such a program can be set into operation within the framework of our private-enterprise system. By the very nature of the situation relating to agricultural controls, agricultural supports, Government purchases, Government fixed standards for motor-vehicle fuel, and by the Federal taxing power, Federal legislation is necessary to set such a program in operation and to give the stability upon which farmers and businessmen can rely.

Such a program would be much less costly than our present methods of dealing with surpluses, wherein we are spending a million dollars a day on storage alone. Other nations have used with great success such a program.

Mr. President, in the short time that this proposal has been pending, I have received many encouraging and informative letters. I want the Senate to have the benefit of a few of the expressions I have received. Mr. Jack Hart, one of Nebraska's informed farm writers, has this to say:

I am taking the unprecedented step (for me) of writing a Member of Congress to commend rather than to criticize. I am referring to your introduction of a bill to develop increased industrial uses of surplus farm products. This is to express my personal congratulations and appreciation for this action.

In watching the farm situation in Nebraska deteriorate at an alarming rate, I have become convinced that one of the few real, long-range contributions the Federal Gov-

ernment can make is the very thing embodied in your bill. To me, it is folly to assume that human consumption can be raised to the incredibly productive level our farmers have reached or that production can long be curbed to meet present demands. It is only natural and correct then that efforts should be stepped up many times to utilize these products to replace some of our exhaustible resources that are dwindling rapidly.

For Nebraska, this would seem to offer not only the prospect of a market for products but also the possibility of locating processing plants here to transform the raw material into usable industrial material. Nebraska now needs, as much as anything, a source of employment for farmers whom, I find, are leaving the farms at a disturbingly fast rate.

Here's wishing you godspeed in pushing the bill which, I think, could be the session's most vital legislation to the long-range welfare of Nebraska. We'll anxiously be awaiting its development.

Mr. Charles Marshall, president of the Nebraska Farm Bureau, in a conference in my office a short time ago, had high praise for the bill which now is offered as an amendment to the pending farm bill. Other farm leaders have expressed themselves. I wish to insert in the RECORD a letter received by me from Mr. Clyde Filley, master of the Nebraska State Grange:

Congratulations for introducing a bill providing for the development of increased industrial uses of surplus farm products. This idea is in line with a Nebraska State Grange resolution and presents a practical solution to an important problem.

I hope that you will succeed in getting favorable consideration to this important measure.

Mr. President, the interest in this proposal spreads over a wide area. I wish to insert in the RECORD a letter I received from Mr. A. G. Taylor, of Washington, Kans., in which he states:

I have just heard your talk over the radio concerning the farm-surplus problem. I would like to let you know I endorse your idea 100 percent. I am writing our Kansas Senators urging them to go along with your plan in converting our surplus crops into car and tractor fuel. * * * Under this plan, the farmer could consume and regulate his own surplus, relieving the Government of this burden. Keep up the good fight.

I also include part of a letter I received from Mr. C. O. Hendrickson, of Fort Dodge, Iowa, in which he states:

I read with much interest an article written in my local daily paper stating you offered a farm bill amendment bill that would set up a commission to recommend industrial use of agriculture products. Thanks to you, Senator. I believe it would be a blessing to agriculture welfare. I could write you a long letter along these lines.

Mr. W. A. Thomson, Jr., of Louisville, Ky., writes me as follows:

Concerning your bill, S. 2940: This, of course, is the most intelligent approach to the farm-surplus problem which has yet been brought before the Senate and the House. If you were able to get such a bill passed you would forever dispose of the farm-surplus problem. It happens that I have been working on this for 40 years, and that I spent 10 years in the 1920 period actually making a gasoline fuel which had a 20-percent alcohol content, and for many years it worked perfectly. I further refer you to Alco gasoline made and put out around Baltimore by the United States Industrial Alcohol Co. which, also had

a long and excellent experience introducing alcohol into gasoline for the purpose of running internal-combustion engines. I should appreciate the opportunity of being of help to you in this matter, if that becomes possible. You might ask Senator EARLE CLEMENTS, who is my close friend, for any information you may want concerning me.

Mr. President, I believe that when we once more permit the farmers of America to manage and farm all of their acres, it will be better for everyone. Then we shall make wiser use of our land; and once more the farmer can be a free citizen, unhampered by rules, restrictions, penalties, and forfeitures, as he develops and uses the great resources that God has given us. The answer is greater use of our farm products.

Mr. President, that can be done. As I pointed out a few minutes ago, a 5-percent blend of alcohol in our motor fuel would consume 1 billion bushels of grain.

I hope my amendment will be adopted.

Mr. President, I yield the floor.

THE AMERICAN ECONOMY NEEDS A FARMER'S FARM BILL

Mr. MORSE. Mr. President, this afternoon I wish to make a few remarks on the farm bill which now is under consideration. But before I do so, I wish to commend the Senator from Louisiana [Mr. ELLENDER], the very able chairman of the Senate Committee on Agriculture and Forestry, for his unrelenting efforts and the tremendous amount of work he has devoted to the solution of one of our most complex problems, namely, that of bolstering the declining income of the Nation's farmers. Personally, I am very well aware of the long hours the Senator from Louisiana has devoted to the work of his committee, and I can assure him that I join a large host of colleagues in the Senate in expressing sincere thanks for his steadfast devotion to duty.

Mr. President, the feelings of appreciation for his efforts are not limited to those of us who are his associates. Residents of my home State have reported to me in instance after instance that the chairman of the committee made lasting impressions on those who attended the Senate Agriculture Committee hearings in Pendleton, Oreg., last October. Those who participated in those hearings had the highest praise for the chairman and for the manner in which he gave them a full and fair hearing in the truest sense of those terms.

Furthermore, Mr. President, before I turn to a discussion of the issues I wish to raise this afternoon, let me say that I desire to commend the Senator from Nebraska [Mr. CURTIS] for the presentation he has just made in support of his amendment. On the basis of the argument he has made, I find myself in agreement with him; and I expect to support his amendment.

Mr. CURTIS. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Oregon yield to the Senator from Nebraska?

Mr. MORSE. I yield.

Mr. CURTIS. I thank the Senator very much. I hope my amendment will be adopted. I cannot urge too often that we must make a start on this program.

No program for industrial uses of farm products could be set in motion unless the Congress had an opportunity to act. I think the amendment should be included in the pending bill.

Mr. MORSE. I think it is a very important proposal. Let me say for the benefit of the Senator that when the agricultural hearings were held in Pendleton, Oreg., last fall, I conferred with a group of grain producers in my State who asked me to give consideration to greater industrial use, not only of wheat, but of other grains as well. I think there is a great deal of merit in the proposal of the Senator from Nebraska.

Mr. CURTIS. I thank the Senator from Oregon.

FALLING FARM INCOME—A PROBLEM OF NATIONAL CONCERN

Mr. MORSE. Mr. President, not only the Nation's farmers but also the American economy need a farmer's farm bill. We have had the sad experience of drastic reductions in farm income which have followed in the wake of the administration's flexible price support program and its "do nothing" policy with respect to the American farmers' financial plight. To date the administration has given us a farm program that has hurt rather than helped our farmers. It is high time for Congress to enact a farmer's farm bill to correct this situation.

The administration's farm program has been a sequence of fatherly advice to the farmers, falling farm prices, and forecasts of good things to come. For example, in February 1953 Secretary of Agriculture Benson said:

In the administration of this Department, the guiding purpose will be to strengthen the individual integrity, freedom, and the very moral fiber of each citizen.

These words of wisdom were followed by 3 years of severe declines in farm prices and farm income. Then, with an eye cast toward the month of November, 1956, the Administration suddenly realized that the farmer is not a commodity, but a human being—a person of importance. This rude awakening called for an about-face. It necessitated promises of a rosy future. Thus, Secretary Benson, after consulting his clouded crystal ball, announced in Portland, Oreg., on February 2, 1956:

A new buoyancy in the market place, a new hope, a new vigor and zest, can be anticipated * * * surely it should be reflected promptly in prices and incomes.

By this statement, the Secretary assured himself of a niche in the Wilson, Dulles, McKay "foot-in-mouth" hall of fame.

In fact, he almost outdid a Republican of 1929, who was promising prosperity "just around the corner" before the country was thrown into the most devastating depression in all its history.

For several days, my colleagues in the Senate have supplied an abundance of statistics to demonstrate the seriously depressed state of farm prices and farm income. For that reason, I shall not go deeply into these figures, but shall confine myself to a few examples of farm price declines that have caused so many hardships for farmers in Oregon and elsewhere.

The latest figures available show that the parity ratio, as of February 15, 1956, was 81 percent. This makes grim reading for the farmers.

I checked into the situation relative to some of Oregon's principal cash crops because I wanted to find out what they were doing in the market place. An analysis showed that farmers in my State are not getting close to 90 percent of parity for their most important cash commodities.

As of February 15, 1956, cattle and calves were bringing 66 and 73 percent of parity, respectively.

I digress to say that about 3 weeks ago I sold prime-to-choice steers on the Baltimore market for 17½ cents. They cannot be fed for that amount. I lost at least 6 cents a pound on the cost of production of those steers. That is the plight of cattle raisers across the country; yet when we go into the market place and buy beef at retail, we find that the farmer is not getting his fair share of the cost of beef across the counter.

Wheat was bringing 82 percent of parity on the national average. Dairy products ranged from 79 percent of parity for butterfat to 87 percent for all wholesale milk. Turkeys were at 88 percent, hogs at 57 percent, sheep at 61 percent, and lambs at 76 percent of parity. Potatoes brought 83 percent, barley 69 percent, and oats 74 percent of parity, according to the February 15, 1956 figures.

With reference to the hog market, I speak with some practical knowledge of the sorry conditions which confront the farmer. Three weeks ago I sold hogs on the Baltimore market for 12½ cents. They cannot be fed for that price. On those hogs I lost at least 3 cents a pound on feed costs alone. That is typical of the situation across the country.

This year the farm producers of Iowa are receiving, in round numbers, 50 percent or less of what they received a year ago for hogs.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from a Mr. Raymond, of Iowa. He is a man 79 years of age. His wife is 76. They are still operating their farm in Iowa. Their principal cash product is hogs. They set forth in that letter a very sad story of what has happened to them in the hog market in 1 year.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GARRISON, IOWA, December 22, 1955.
Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR: I am Paul Raymond's father. I know you and he are great friends and in regard to this: I feel that you and I are friends too. So I am writing you not only as Senator but as a friend to friend.

Paul's mother and I while we are 74 and 79 years old respectively, are still on the farm (only 92 acres) actually engaged in farming doing almost all the work ourselves and enjoy it. We are in the best of health and try to keep some of our youthful spirits by church and other community activities. It seems to work well.

We received the CONGRESSIONAL RECORD until Senator Gillette was defeated last year.

It stopped coming when his term ended. I enjoyed reading it very much. The material was very informative and interesting and I surely miss it.

When the Agricultural Act was passed August 9, 1954, I followed the arguments in the Senate very closely and I wish to compliment you on the stand you took on that issue. You deserve the praise and support of all farmers, as I find on the questions of prices and economic equality for farmers you have always fought for their interests. Many thanks.

I have always thought that flexible price supports were the wrong approach and time is proving and will prove this contention, I believe.

I know from experience that when farm prices are low the farmer in order to keep up his income so as to meet necessary expenditures must raise more products as price times products equals his income. Even if produced at the same cost.

The farmers of Iowa are very much distressed at the present time by the low prices being received for hogs and cattle, especially hogs.

We sold 117 head of hogs this fall around December 1 at an average of approximately 10 cents and they brought \$2,920.63; if we had received the same price that we received 1 year earlier 18.5 cents, we would have received \$5,343.72, a difference of \$2,422.09. This difference added to the difference of those we still have makes quite a shrinkage for small farmers like us.

There are approximately 2,500 farm families in our county, Benton, and as we are small farmers I suspect the difference we sustained was about the average sustained by these 2,500 families and so would approximate about \$7,500,000 on hogs alone in this county. Is it any wonder that farmers are distressed when 80 or 90 percent of our income is derived from livestock?

We were always of the opinion that if the basics were supported at 90 percent of parity this would take care of livestock prices, but present distressed prices prove the fallacy of such an opinion.

I am not fully informed as to what methods Secretary Benson could use in respect to the emergency now existing with hog prices cut in two.

Are there any laws or measures passed by Congress whereby he could relieve this situation?

If there is I wish you would give me this information.

A few days ago I wrote an article for our county paper, Cedar Valley Times, which I am enclosing. Of course I wouldn't expect a law in this regard. My point as you will know when you read the article was to get the idea across to our community that while a lot of industry and labor was on a war footing, people were expecting farm prices to be on a peace basis.

We spent the last two winters in Florida with Paul but will stay in Iowa this winter. We expected to buy a new car and drive to Florida this winter but with prices such as they are, this is out of the window.

I would be very glad to hear from you.

Your friend,

SAM RAYMOND.

FLEXIBLE SUPPORTS AND FLEXIBLE PROPAGANDA

Mr. MORSE. Secretary Benson and other Department of Agriculture spokesmen would have the American people believe that there has not been time enough since the passage of the administration's flexible support program on basic crops to really test the effects of the flexible support program. What Benson has failed to make clear to the American people is that ever since he has been Secretary of Agriculture he has had the discretionary power to impose reductions in price supports on many

farm commodities, and he proceeded immediately to do just that, as the figures I am about to read will show.

In fact, since Benson has been Secretary of Agriculture, he has reduced price supports on commodity after commodity over which the Department of Agriculture has had jurisdiction, except for wool.

I offer these figures in further support of the argument I made on the floor of the Senate earlier this afternoon in rebuttal to the propaganda which Secretary Benson has been feeding the consumers of the country for a long time. He has been feeding them the false propaganda that he has not yet had the opportunity to place his flexible price-support program in operation. He started to put it into operation shortly after he took the oath of office. He proceeded at once to exercise the discretionary power he has over farm supports and prices by reducing the parity on farm commodity after farm commodity. He reduced the parity on every commodity over which he had jurisdiction, save and except wool. He did not do it on wool, because we passed a wool bill which stopped him.

In that wool bill we adopted the basic principle of the Brannan plan. Senators will recall that it was recommended by spokesmen for the administration, but it was not so long ago that they were telling us what an awful thing it would be for this country if the principle of the Brannan plan should ever be introduced in connection with agricultural legislation.

I wish to document my charge that Benson proceeded immediately after taking office to reduce farm prices by the exercise of his own discretionary powers as Secretary of Agriculture. The record shows that he reduced price supports on one farm commodity after another to the great detriment of our farm economy.

In February 1953 Benson announced that he would support dairy products at 90 percent, then permitted them to fall to an average of 83 percent for the year. In March and April 1953 he cut the Commodity Credit Corporation price on cottonseed meal—an important protein feed—from \$80 to \$57 per ton, weakening all feed prices. In October 1953 he cut supports for tung nuts from \$63.38 to \$54.96. During the same month he cut supports for barley from \$1.24 to \$1.15; in October he cut oats from 80 cents to 75 cents; grain sorghum from \$2.43 to \$2.28 per hundred; cottonseed from \$54.20 to \$54 per ton.

During 1954 Benson continued to use his discretionary power to destroy farm prices. In January he cut soybean supports from \$2.56 to \$2.22 per bushel. In February he cut butter supports from 67 cents to 56 cents per pound and manufacturing milk from \$3.74 to \$3.14. In March he cut dry edible beans from \$7.79 to \$7.24. In April he cut flaxseed from \$3.79 to \$3.14. In September he cut 1955-crop wheat from \$2.24 to \$2.08; in December 1954 he cut 1955-crop grain sorghum from \$2.28 per hundredweight to \$1.78; barley from \$1.15 to 84 cents; oats from 75 cents to 65 cents per bushel; rye from \$1.43 to \$1.18; soybeans from

\$2.22 to \$2.04 per bushel; and cottonseed from \$54 to \$46 a ton.

In 1955 he continued the discretionary slash of farm prices. What this means, Mr. President, is that he, more than anyone else, is responsible for the sorry condition in which the farmer finds his purchasing power at the farm gate. If I should say nothing else in my speech today, Mr. President, I would stress the fact that the problem which confronts the Senate in regard to the farm program is the problem of returning to the farm gates of America a decent purchasing power on the part of the farmers. If they do not have it today it is principally because of America's No. 1 economic enemy since this administration has been in office, namely, the Secretary of Agriculture, for whom the President of the United States, Dwight D. Eisenhower, is 100 percent responsible. I place the responsibility right where it belongs, namely, on the porch of the White House itself.

I have given the record of this man in the Department of Agriculture. Yet we hear the Republican propaganda that the administration has not had a chance to put its flexible support program into operation. The sad thing is that they have put too much into operation. The farmer has suffered because of what they have done already with their collapsible support program.

What the farmers need today is relief from this sliding scale of the administration, and a return to a high purchasing power at the gates of the farms, so that the rest of the country's economy can be assured of a continued high level of purchasing power on the part of the other consumers of our Nation.

We cannot continue the present course for long. Oh, the administration can broadcast all the economic propaganda it wishes. However, this administration, or a Democratic administration, or any other group, cannot repeal the operation of economic laws. We cannot have millions of American farmers continuing to suffer declines in their purchasing power and at the same time have a high level of economic prosperity for all the other people of our country.

Earlier today we listened to the Senator from Alabama [Mr. SPARKMAN], the chairman of the Select Committee on Small Business, of which I am happy to be a member under his able leadership, read the latest statistics showing what is happening to small business from the standpoint of skyrocketing bankruptcy figures.

We do not find prosperity on the main streets of America. Let anyone talk to the small-business men. Let anyone listen to small-business men testify before our committee. If he does, he will learn that the alleged prosperity of which the administration boasts is a very spotty prosperity, and is primarily a prosperity for the rich, not for the people of low income. The small-business men and the farmers, whose case we are pleading today, are now fighting a depression.

Mr. President, it is not pleasant to discuss a problem on the basis of the facts I am presenting. However, the Eisen-

hower administration cannot erase the facts. The facts are written indelibly into the economic history of our country, and they are having a devastating effect on the economic welfare of America's farmers.

As I pointed out, in 1953 and 1954 Benson continued to slash the prices. Let us take a look at what he did in 1955.

In 1955, Secretary Benson still continued to hack away at farm prices. He cut price supports on corn from \$1.62 to \$1.58 in March; in April he cut the price of dried beans from \$7.24 to \$6.36; in May he cut the price of rice from \$4.66 to \$4.03; in June he cut the price support for the 1956 crop of wheat from \$2.08 to \$1.81; and in October he cut tung nuts from \$54.90 to \$51.06 per ton.

THE FARMER'S LOSS MEANS NO GAIN FOR THE CONSUMER

Lower farm prices have not resulted in lower food prices for the consumer.

While the farmer has been on a Benson toboggan without brakes, the consumer has continued to pay high prices for food. Yet this administration and its Secretary of Agriculture have attempted to justify the present farm program to city consumers by propaganda that rigid price supports were being paid by them. Later he directed this type of misleading propaganda against labor.

The farmer is receiving a declining share of the retail price of the consumer's food basket. That conclusion is based on USDA data. A more searching inquiry of the distribution of the consumer's dollar, directed by President Truman before he left office, was prohibited by a rider to an appropriation bill—by vote of the 83d Republican Congress.

I have here a table which is very instructive in showing what the Eisenhower administration has done to farmers and consumers. It shows price index figures taken from different pages of the report of the President's Council of Economic Advisors. The only change I have made is to put the several series next to each other so we can more easily see what has happened.

Mr. President, I ask unanimous consent to insert in the RECORD at this point in my remarks a table entitled "Food and Farm Prices, 1952-55."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Food and farm prices, 1952-55
[1947-49=100]

	1952	1953	1954	1955
Consumer prices paid for food.	115	113	113	111
Wholesale price of processed foods.	109	105	105	102
Wholesale price of farm products.	107	97	96	90
Prices received by farmers.	106	95	92	88

Percent

Change in consumer prices, 1952-55.	3
Change in wholesale prices of processed food, 1952-55.	6
Change in wholesale price of farm products, 1952-55.	16
Change in prices received by farmers, 1952-55.	17

Source: Economic Indicators, published by President's Council of Economic Advisors.

Mr. MORSE. Mr. President, these figures show several points that are very revealing as to what kind of administration we have in the executive branch.

Look at the bottom line in the table. Prices received by farmers have been shoved down by 7 percent from 1952 to 1955, annual averages. The farmers have been injured grievously.

Look at the top line. American consumers did not benefit from the treatment given to farmers. Retail prices of food have dropped only 3 percent. Look at the second line. The small-business men, grocers, and others who buy and sell processed foods, have not benefited. The drop in the wholesale prices of processed foods is down only 6 percent, only slightly more than retail prices.

Look at the third line. The small-business man and others who buy from the farmers and sell to processors, benefited very, very little from falling farm prices. The wholesale price of farm products, at which these brokers and buyers must sell to the processors, dropped 16 percent, almost as much as the prices received by farmers.

It was the food-processing industries, not the little one, but the big monopolistic-type corporations, who benefited from the sliding-scale policies of the past 3 years. The prices at which processors buy farm commodities dropped by 16 percent. But the prices they charged to retail grocers dropped by 6 percent. This is an administration of the big gouge, and everywhere you look it is the big gouge for big industry.

It is no accident that dollar for dollar as farm income has fallen the past 3 years, corporation profits after taxes have increased. Here in the United States, in 1956, for the first time in any nation in the entire history of the world, dividends paid to a few corporation-stock holders are greater than the total farm net income of all the 5 million farm-operator families in the Nation.

Altogether the total cumulative cut in family income in the past 3 years has amounted to \$8.6 billion. Even though farm operators have reduced their farm-production expenses by greater efficiency, going without, and other means, net farm income dropped from \$14.9 billion in 1952 to \$11 billion in 1956. And farm gross income dropped from \$37.8 billion to \$33.3 billion.

THE BENSON FARM EXODUS

Farm population as a percentage of the total population has declined from 16.6 million to 13.5 million. But this does not tell the whole story. The average age of the American farmer is almost 60 years. It is apparent that the Eisenhower policies are driving the farmers off the land.

Mr. President, this morning I had breakfast with about 15 persons from my State, including farmers and their wives, and they stressed the point which I have just made. They expressed great concern over what is happening to the young farmer, what is happening to the young veteran who came out of World War II and the Korean war, and who invested heavily in a modern farm, only

to discover that with the falling farm prices he is either going to lose his farm or have to mortgage it for many years in the future; that the farm does not offer him the standard of living and the happiness in life he contemplated when he went on the farm.

These were older farmers, for the most part, the overwhelming majority of them being near the 60-year average which I have cited as a vital statistic. Their concern was not about themselves, but about their boys and daughters who they had hoped would carry on in the family tradition, on the farm. Those boys and daughters, as one mother said to me at breakfast this morning, have been brought up on 4-H and Future Farmer programs and had come to understand the great, happy horizons that farm life might offer them, only now to be disillusioned by a farm program which has produced this terrible decline in farm prices and in farm income.

One thing for which I am going to fight hard, Mr. President, is to see to it that there is left in this bill at least something which will provide immediate financial returns to those farmers. They need the relief now, not 2 or 3 years from now. I serve notice that I am not going to sit here and vote for any amendment or to strike from this bill anything which seeks to take away from the farmers who live on family farms, the relief they need through an increase in their purchasing power.

Several of the farmers spoke to me this morning concerning the soil bank. I am in favor of a soil bank, and I shall say something about it later in my speech. Several farmers said to me, "Senator, what will the soil bank do in the Willamette Valley in Oregon to meet the need for purchasing power now?"

The fact is that it would do very little, if anything, Mr. President. In Oregon we are dealing with diversified farming, and it is almost impossible to cite a product which can be grown in that particular climate that is not produced in the farm areas of the Willamette Valley—orchards, grain, grasses, livestock, poultry, and right down the gamut of diversified farming. But the farmers are confronted with the serious problem of declining prices for their products. They must have a farm bill, in my judgment, which will restore purchasing power to them. In my opinion, there is nothing in this bill which will be of substantial assistance immediately to the farmers, except the 90-percent-of-parity program. I do not intend to vote against it, because, Mr. President, I am not misled by the propaganda about surpluses, either. I happen to believe that the agricultural surpluses are among our greatest national assets.

THE BLESSINGS OF SURPLUSES

I believe it would be dangerous for America if we did not have the surpluses. I do not know how so many million Americans, off the farms and in the cities, can fall for the advertising propaganda—and that is what it has been—put out by a group of political advertisers, that these surpluses are something

to be feared. They are a great asset. They are essential to our security. They are vital to the maintenance of a high standard of living in this country.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I shall be glad to yield in a moment.

Mr. President, we should watch out for the day when America does not have a surplus of food. Read history. Whenever a civilization reaches the break-even point of food supply it starts to stand still, and when it drops below a break-even food supply it begins to decay.

So, the consumers in the industrial areas of America, as I like to point out to labor audiences as I talk to them across the country, should know that the wage scale is more dependent upon a surplus food supply in America than most people appreciate. The wage scale in America would soon toboggan if we did not have a surplus food supply.

Take a look at these surpluses. One might get the idea that they are so enormous that they are wrecking our economy, and, yet, for the 22 years we have had a support program we have produced, even during wartime, only a slight percentage over and above the food we have used. Mark my language. I said "used", not "needed." There is a great deal of difference.

As the Senator from North Dakota in his heroic utterances on the floor of the Senate has pointed out so many times, as has the Senator from Kansas, there is a great difference between the food we need and the food we use.

Mr. President, we boast of our Nation's high moral principles and practices in respect to seeing to it that not a person in this country goes hungry.

Until there is not a boy or girl in America who is undernourished, until there is not a needy fellow citizen in America who is eating below a standard of nutritious diet, until there is not in this great Nation of ours an aged person, domiciled in a charitable institution or in a place where he or she requires special care, who does not get the food needed to maintain a healthy body—not until then will the senior Senator from Oregon stop his fight for a greater use of our surplus food in accordance with the needs of the American people.

Not until we change the statistic which, I understand, shows that still less than half the schools of America supply a free lunch to the school children, will I stop my fight to expand the lunch program for America's school children. They happen to be our greatest wealth. They happen to be the greatest wealth we have because our wealth is in our people; our wealth is in our human beings.

I take the position, and my record is clear in this regard, that when we consider the enactment of legislation in the Senate, the guiding star ought to be the general-welfare clause of the Constitution. When I talk about expanding the school-lunch program, when I talk about using our present food surpluses to make certain that the needy aged are

permitted to live out their lives in decency, with ample food of a nutritious nature, I am fighting for the general-welfare clause of the Constitution. I am keeping faith with the Constitutional Fathers who formed this Republic, and made clear at the time of its formation that its purpose was to promote the general welfare of the people through the processes of the economic and political freedom of choice of the individual citizen.

What we must do today is to take a legislative problem such as this and translate it into moral values. That is the function of statesmanship. We in the Senate have an opportunity to do that.

Yet there are in this country those who talk about the importance of a balanced budget as against human welfare. I say shame on them. I am not one who thinks a balanced budget should be substituted for the welfare of the people of my country. I happen to know also that if the budget should be unbalanced in order to protect and promote great moral values, there would result the strongest and most desirable balance our society and our Republic could enjoy.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. I wish to commend the Senator from Oregon for his remarks. I thoroughly agree with him that our surplus foods constitute one of the best deterrents to war. The Senator from Oregon served on the Committee on Armed Services for a number of years. From his activities as a member of that committee, he knows that any nation, before it goes to war, certainly must determine whether it has the necessities of life, such as food.

Soviet Russia today is looking at us and especially at our surplus food. Soviet Russia knows approximately what surpluses we have. Does not the Senator from Oregon think that if Soviet Russia had all the surpluses we have, and if we had the meager amount which Russia now has, a different situation might exist in the world today?

Mr. MORSE. What the Senator from South Carolina has pointed out was also pointed out the other day by the junior Senator from Minnesota [Mr. HUMPHREY], namely, that if Russia had our surpluses, she would be giving us an even worse licking on the economic front than we are getting in those areas of the world where the fight for freedom has to be won. Russia would not be making the mistake we are making of letting the people starve in those areas of the world which we should be bringing over to the side of freedom. Russia would not be letting corn rot in Government storage bins.

That practice cannot be justified in terms of history, and historians will not justify it. Historians will write a black page against our country because of our failure to use our surpluses of food in this generation to strengthen freedom in the nations of the world where stomachs are empty and will have to be filled before the people can be won over to the cause of freedom.

Mr. JOHNSTON of South Carolina. As the Senator from Oregon brought out a few moments ago, the surplus food is needed and can be used at home, especially in programs such as the school lunch program. Our surpluses are not being used to the fullest extent by a long shot.

Mr. MORSE. I understand that the figures over a 22-year period run somewhere between 1.6 percent and 3.5 percent of overproduction beyond use each year. That is not much, especially when we have the job of changing the amount we have used into the amount we need, and making certain that all who need food get it.

We hear the charge made that if we stand for a stamp plan in the use of surplus food, we are some sort of creeping socialists. Of course, we become accustomed in the Senate, when we stand for the general welfare of the people, to being called creeping socialists, or worse. But I point out that the food stamp program is a pretty good private enterprise principle when it is put to work, because the food gets into the mouths of those who need it, and the grocer gets his money.

Mr. JOHNSTON of South Carolina. I thoroughly agree with the Senator from Oregon. As he knows, I am one of the coauthors of a bill which would put a food stamp plan into effect in the United States.

Mr. MORSE. I am pleased to be one of the cosponsors of the bill with the Senator from South Carolina.

The question of surpluses has been raised. Let me make an observation as to what we do with other surpluses. The poor farmer has been abused and kicked around and made the victim of much political advertising because of the food surpluses. The farm surplus is slight, and the cost of taking care of the farm surpluses is slight compared with what is spent in the form of the American people's tax dollars to take care of other surpluses.

Before I name some of the other surpluses, let the RECORD show again, as has been stated before in the debate, what the net cost of the support program has been to the farmers of the country for 22 years.

As the Senator from North Dakota [Mr. YOUNG] knows, because I have heard him use this figure in his remarks, the total net cost for 22 years has been \$2.3 billion; that is all. The cost has been less than \$1 a person a year. As I have said on other occasions, that is a pretty cheap insurance premium to pay for the high purchasing power of the American farmers, who have been ringing the cash registers frequently on the Main Streets of America.

That is why, when I talk to the chambers of commerce throughout the country, I say to them, politely and respectfully, "What is the matter with you businessmen? Do you not see a direct relationship between the tingling of your cash registers and the purchasing power of the farmers in this area of your State?"

Too many businessmen have fallen for the political buncombe of the opponents of a rigid-support program, who are

trying to convince them that it will lead to some sort of national bankruptcy.

Let us consider what we do with other surpluses. What do we do when there is a surplus of labor? That is all unemployment is. Unemployment is a surplus of labor, so far as the needs of the economy are concerned at the time the unemployment occurs. Do we say, "It is too bad. Just let the law of supply and demand operate"?

There was a time in the earlier days of our country when exploiters were in complete control of our Government, when that was the labor policy of America.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. YOUNG. A moment ago the Senator was talking about the income of farmers. According to the Department of Agriculture, the farmers last year, after taking a deduction of 4 percent interest on their investments, earned an average of 71 cents an hour. The Department yesterday revealed that farm income had dropped another billion dollars. So I think it is a safe guess that farm income in the next year will be considerably below 70 cents an hour. That will make farmers second-class citizens of the Nation.

Mr. MORSE. Second-class citizens is a pretty high economic rating for them. With that kind of farm income, I think the present farm program has put them down to third class or below. I hold in my hand the latest release by the Department of Agriculture, dated March 6. It says:

Farmers' realized net income in 1955 is now estimated at \$10.8 billion, down a billion dollars or 9 percent from 1954, on the basis of more complete information on farm marketings and farm production costs last year. The decline was due to lower average prices of farm products accompanied by a slight increase in farm expenses.

The value of changes in crop and livestock inventories is included, the decline in net income from 1954 to 1955 was \$1.3 billion, or 11 percent. Farmers as a whole built up their inventories in both years, but the increase was smaller in 1955 than in 1954.

Now, I call this to the attention of the Senator from North Dakota:

Net income after the adjustment for inventory change was \$11 billion in 1955. Adding farm wages of \$2 billion and \$6 billion of income from nonfarm sources gives \$19 billion as the total income of the farm population.

But that includes wages the farmer gets if he works in the neighboring saw-mill, or wages he receives on his part-time job at the neighboring creamery, or wages he receives from any other part-time job.

I read further:

This was 5 percent below 1954. With the farm population increasing 1 percent, per capita income declined 6 percent to \$860. Per capita income of the nonfarm population increased almost 5 percent.

But what figures are we talking about? We are talking about figures below \$1,000 a year. When there occurs, for a short period of time, a little increase in per capita income, the Department of Agriculture headlines that fact, but it for-

gets it is telling the people about net incomes of less than \$1,000 a year.

It is a terrible thing. It spawns second-class citizenship. In my judgment, we cannot call such a citizen even a second-class citizen if his net income is less than \$1,000 and he is willing to work as the farmers of this country are willing to work and do work.

Let us get back to the question of labor surplus. What do we do when we have a labor surplus, represented by unemployment? We see to it—and we ought to see to it—that there is unemployment compensation provided. And the great effort today—and it is entirely proper—is to increase the amount of such unemployment compensation and provide for an extension of unemployment compensation coverage. That is what we do when we have a labor surplus.

Let us look at the question of the great industrial surplus in America today. There is unbounded prosperity on the part of some companies, and on the part of some powerful companies in America, which are producing defense materials. But what would happen if we would jerk the rug out from under them and stop having defense materials produced?

From the standpoint of civilian production, Mr. President, large military production is surplus production. Certainly, we need it for defense, and that is why WAYNE MORSE, on the floor of the Senate, has not voted yet, and does not intend to in the immediate future, for reduction in defense appropriations. He is cognizant of the dangers that will confront free men in the decades ahead. He does not believe the Russian objectives have changed merely because their tactics have changed from military to economic. I happen to believe Russia still plans to try to override and rule the world. But the fact remains that when we undertake an analysis of our economy today, we learn it is not a civilian economy. It is a mixed defense and civilian economy, and the production of war goods really is surplus to our civilian economy.

If one could turn a switch here this afternoon and shut off the production of war goods, what kind of legislation would we have on the floor of the Senate seeking to come to the assistance of the civilian economy? We would have tax writeoffs. We would have tax amortization schemes. We would have one proposal after another for American industry. We should have them, and no Member of the Senate is ever going to work any harder than I will work to keep American industry strong. It is a part of our general welfare objectives.

I cite that example because we know that some industrial and business leaders are crying to high heaven about farm surpluses, forgetting that the great income they are receiving because of war production is in itself a farm of industrial surplus.

What does that illustrate? I think it illustrates a great economic fact, namely, that is we are all in the same boat. Farmers, businessmen, workers, teachers, professional men, consumers all and producers all, are in this economic boat

together. If we punch a hole in the bow or punch a hole in the stern, or start weakening the boat in any way, we had better watch out or we shall all drown economically in a pool of economic depression.

Figures of speech are dangerous in debate, because they can be applied only to a limited extent. Arguments by analogy in debate are dangerous because, after all, their application is restricted.

I use that figure of speech to stress something which I do not think has been stressed sufficiently in the debate on the farm bill, and that is that all of us are in the same economic boat, and we can not afford, from the standpoint of the standard of living of all us, to let the low purchasing power of the American farmer continue to decline. That is why I take that position. There is nothing inconsistent about it. I have taken the same position when, on the floor of the Senate, I have fought for legislation to benefit labor under the general welfare philosophy. I have taken the same position when I have fought for workmen's compensation legislation. I have taken the same position when I have fought for legislation which seeks to keep for industry its legitimate economic rights. We can not follow a discriminatory policy by which only some are going to be the favored few. We must protect the best interests of that group in the long run. Even though a certain group may have a plush period, even velvet wears, and what is more shabby than worn velvet?

Many of the big interests in America today are wearing velvet, but many farmers are wearing rags, and it is about time we did something to raise their standard of living and see that they can clothe themselves properly, economically. When I use that figure of speech I do not limit it to the raiment of the body.

Mr. President, a few moments ago, before the interruptions, which are appreciated, I was talking about what is happening to the farm population of America. What is happening to the farm population of America?

According to the Bureau of the Census, between 1950 and 1954 industrialized farms increased 26 percent, and the number of small-sized farms declined by 11 percent. This trend is not unwelcome to the administration. Here is what Secretary Benson said in Portland, Oreg., just recently:

In the long run, the continued downtrend of our farm population and the strong uptrend of our whole population will contribute to larger per capita incomes of our farmers.

If that was intended to reassure the farmers of my section of the country, let me say it put them deeper in the doldrums.

Despite the downward spiral of farm income, farm-land values are going up.

In a recent briefing by that staff before the Senate Banking and Currency Committee, the Reserve Board economists were asked to explain this apparently contradictory development. They explained that corporate farm operators were anxious to expand their holdings and hence were offering high land prices

to smaller farmers. This is an unwholesome trend.

It supports the oft-repeated statement that Benson is culling farmers.

This elimination of small farms and the growth of corporate farms is regrettable. Some argue that corporate farms are more efficient. That is the same argument advanced for the Soviet-style collective farms. Both are equally soulless and destructive of individualism.

A PROGRAM FOR FARMERS AND CONSUMERS

It is apparent to me, and undoubtedly is apparent to all other Members of the Senate, that the national self-interest will be served if future food supplies are safeguarded for a rapidly growing population. The only way to safeguard our food supply is to move rapidly to increase farm income. The only solution of the problem of farm income is to repeal the sliding scale, and to substitute for it a full, adequate level of farm-income protection and price supports.

In my view it is idle to think that this administration will do anything to serve the best interests of the farmers, even though given authority to do so by the Congress. The only available remedy at this time is to enact specific, mandatory legislation which will require Secretary Benson and President Eisenhower to maintain the return on all the basic farm commodities at 90 percent of a fair parity price. Many commodities not now classified as basic farm commodities should be considered as such.

Mr. President, at this point let me say, in regard to the question of farm population, that we had better relate it to the population trends in the entire country, because the population trends in the United States are dramatic. The rate at which our population is increasing is astounding. The population experts point out that they see no reason for a decline in the population increase rate. And it is related to surplus food. Of course, I happen to believe that if we would make proper use of our surplus food, today, both domestically and in connection with foreign policy, we would not have any quantity worth talking about in Government bins.

But I wish to emphasize the point I made earlier, namely, that our entire civilization is dependent in a very real sense on surplus food. I have said before, and I desire to repeat now, that when we study history, we find that civilization after civilization became decadent when it failed to produce a surplus food supply. China of ancient times was the greatest civilization on the face of the earth, but it was a surplus food nation. It was not a deforested China; it was not an eroded China; it was not a China with thousands and thousands of square miles of land without topsoil. It was a China that produced more food than its people could eat, and it was a China of great civilization—as great for its time as we are for ours, comparatively speaking.

Similarly, we might refer to Persia, Greece, Turkey, Egypt, or the Roman Empire. We can go on down the casualty list of fallen civilizations; and what

do we find? We find that they fell when they failed to produce surplus food.

One of the great duties of statesmanship, I respectfully submit, is to raise our sights, so as to see into the future, decades ahead. We do not have to look very far into the future, insofar as our country is concerned, and in connection with the population problem, to see what is going to happen in 20 years; 1976 is only 20 years away. We should examine the population trends in America.

There is a statistic which I like to use in that connection, and I do not think it can be repeated too frequently, in order to illustrate to the American people why we, as Senators, have an obligation of statesmanship in 1956, in connection with our consideration of a farm bill, to think about American boys and girls in 1976.

Mr. YOUNG. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. KERR in the chair). Does the Senator from Oregon yield to the Senator from North Dakota?

Mr. MORSE. I yield.

Mr. YOUNG. I should like to remind the Senator from Oregon that for the past 20 years we have reduced our horse and mule population from approximately 19 million head to something less than 5 million head at the present time. That decrease has released approximately 43 million acres of land for the production of food for human consumption, whereas we used to use that land to produce feed for horses and mules. Without that additional 43 million acres, today we would actually have a shortage of food.

Mr. MORSE. That is correct.

Mr. YOUNG. In addition, we are losing approximately 1 million acres of land a year because of bad soil practices, erosion, the construction of additional military installations, the expansion of cities, and so forth.

Mr. MORSE. The Senator from North Dakota is entirely correct; and I appreciate the contribution he has made to my speech, by his reference to what is happening to us because of our failure to operate a soil-conservation program and a flood-control program—and all in the name of a balanced budget, although such projects will return to the Treasury of the United States many times their cost.

For instance, let us consider the situation in Oregon—to say nothing of what has been happening in the East, and, in particular, in North Carolina, as well as in some of the other eastern areas. Let us consider the situation in my State of Oregon as a result of the failure to build great dams for flood control—dams which are needed. Great expanses of rich topsoil by the thousands of tons have been washed into our rivers, never to be replaced, but gone forever, although there is no question that the building of the needed flood-control dams would not only have prevented the loss of that land, but would also have prevented floods. I can take any of my colleagues to my State and can show them areas where farms are protected by dams which already have been constructed;

and then I can take them a few miles farther, and can show them where farms have been washed away because of our failure to provide appropriations for the building of such dams.

Such dams are nonpartisan projects; Mr. President. The Senator from North Dakota [Mr. YOUNG] is a great Republican, and I know no one who has stood more firmly shoulder to shoulder with us in urging that these dams be built. This is a nonpartisan proposition. I say we cannot justify on the basis of dollars and cents the penny-wise, pound-foolish policy which has been followed by the Congress in connection with flood control; and the Senator from North Dakota is correct in the statement he has made in regard to what has happened to us as a result of the loss of fertile land because of erosion and floods.

Mr. YOUNG. Mr. President, will the Senator from Oregon yield further to me?

Mr. MORSE. I yield.

Mr. YOUNG. I wish to express my appreciation of the kind remarks of the Senator from Oregon.

Let me say that it has always seemed to me that the propaganda that high price supports are responsible for our agricultural surpluses is very silly. I have yet to know of a case where a Member of Congress who made the claim that high price supports are responsible for our surpluses could substantiate it by statistics. If we study all the statistics in regard to agriculture, we find more often than not that when prices declined, production rose. Certainly that is true of the situation since 1951.

Since then, we have had a price decline of approximately 28 percent; and, in addition, we have had flexible price supports in operation for 1 year and longer for dairy products. Despite that drastic drop in prices, last year—1955—witnessed the greatest agricultural production in the history of the United States. That, alone, proves the fallacy of the argument that 90 percent supports are responsible for all of the surpluses.

Mr. MORSE. Mr. President, I think the Senator from North Dakota is correct.

I wish to say that, year after year, the Senator from North Dakota has been fighting for greater use of our surplus foods, in keeping with the needs of those in the United States who are not getting enough food, and who could use it very well, indeed. That is what I am fighting for; and I think we should make use of that situation in the interest of many values, including, for example, the value of national health, which happens to be a great national asset.

If I were to ask the Senator from North Dakota to put a dollar sign on such a program, he would have to reply, "A price cannot be put on it." If I were to submit to him the hypothetical question, "How much would we in the Congress be willing to pay, by way of appropriations, for a program which it could be demonstrated would raise the standard of health of the American people, as a population, by 10 percent," the

answer would have to be, "It is impossible to put a dollar value on it." That fact shows what happens when we engage in such a program. When we look at it from the standpoint of a cold problem, we recognize immediately that we ought to do it.

I point out that if we used our surplus food in accordance with the needs of our people who are not now getting the food they need, it would have a tremendous effect on the standard of health in America.

I happen to be one who is satisfied with the testimony I have heard since I have been in the Senate, to the effect that a universal school-lunch program in America, instead of a program which reaches less than half of our schools, would have a tremendous effect in improving the health of the oncoming generation of American boys and girls.

What are we waiting for? Is poor old Uncle Sam "busted"? Is the poor old fellow in such a position that we must weep crocodile tears over him while corporations make enormous profits after taxes, ranging from 30 to 110 percent in some instances?

What has happened to our social values? What has happened to our sense of public decency? We hesitate on a farm program which seeks to assure us a surplus of food, and seeks to implement the use of that food by getting it into the mouths of American boys and girls who need it.

Critics will say, "What he talks about is theoretical, and idealistic. He is not practical." I have just proposed what I think is one of the most practical programs the Congress of the United States could adopt. Also it is an ideal put to work. That is all practicality ever can be. In my opinion we, as Senators, cannot morally justify the failure to put that kind of program to work—not if we have a conscience. I also think that imbedded in the problem before us today is a problem of national conscience. I will never put the dollar sign ahead of my Nation's obligations to conscience.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. YOUNG. I commend the Senator for a great fighting speech on behalf of the farmers of Oregon, as well as the farmers of this Nation. It was a pleasure to attend many of the agricultural hearings held last fall. We visited practically all parts of the Nation. I found that everywhere farmers were dissatisfied with the present farm program, particularly the flexible price supports. In the great State of Oregon, at Pendleton, we found as much dissatisfaction among farmers as we found in any other place. We found the same thing everywhere. It disturbs me to have Senators and others purporting to represent farm sentiment to say, "We want this," or "We want that." Obviously those people do not go out and talk with farmers themselves. Otherwise they would never make so many foolish statements.

Mr. MORSE. The Senator is correct. The contribution which the Senator from North Dakota made to our discussion at Pendleton is still being talked about. As I talk with our wheat grow-

ers, dairymen, and fruit growers who testified at that hearing, I learn that the assistance which the Senator from North Dakota rendered, the questions he asked, and the comments he made, were very much appreciated. I thank him very much.

The Senator from North Dakota kindly referred to my position on the farm issue. As he knows very well, since he and I first came to the Senate no farm issue has ever arisen in the Senate upon which I did not consult him before reaching a final conclusion. The Senator from North Dakota, along with three other Members of this body, are, in my judgment, our farm experts.

No one needs to praise the record of the Senator from North Dakota. It speaks for itself. It is a great record in support of the best interests, not only of the farmers, but of a sound national economy, because when one fights for a sound farm economy, he fights for a sound national economy. I appreciate the remarks which the Senator has made. Let me say good naturedly—because the Senator is held in such high esteem in my State—that I am delighted to be able to point to the record he has made.

Mr. YOUNG. I am very happy to have the Senator point to my record.

Mr. MORSE. Mr. President, I was about to refer to what the Library of Congress has given me as a statistic on the trend of America's population in the next 20 years. By 1976 the population of this country will have increased by a number equal to the number of people at present living in the following Western States: Washington, Oregon, California, Idaho, Montana, North Dakota, South Dakota, Iowa, Nebraska, Kansas, Arizona, Nevada, Colorado, Missouri, and the great State of Texas.

That is a great many people. What does that mean? It means that in 20 years we will have increased our national population by a number equal to the number of people now living in practically the entire West.

We talk about surplus food, and about greatly reducing the number of farm families. What should we, as Senators, be doing in the year 1956? We ought to be looking into the question of what the facts are going to be in 1976, with respect to the food supply of America. No one wants to believe it now; no one seems to want to think that far ahead, but I say that if we do not watch out, by the year 2000 we shall not have enough food in this country to feed our population. We shall not have enough food if we do not adopt sound farm legislation in our generation which will guarantee to future generations of American boys and girls a continuation of an abundance of food.

Theory? I am talking about a hard, cold fact, Mr. President. We had better come to grips with it. We shall not come to grips with it if we support a farm program which will make farming unprofitable, which will drive young veterans off the farms, as they are leaving the farms today, by the thousands. We shall not have enough food in the future if we discourage the 4-H Future Farmer boys.

I do not have to rely on my farming activities for a living, but it so happens that at the present time I am showing a herd of cattle at Baton Rouge, La. I have in charge of that herd a young boy 19 years of age, a Future Farmer boy from Poolesville, Md. He is exceedingly able and competent. He will become a great farmer and a great farm manager. But he is discouraged because, as he talks with other young men engaged in farming activities or in preparation for farm life, he is disturbed. So when I flew to Baton Rouge over the weekend to help him show those cattle, he talked with me as to whether or not he should consider the advisability of preparing himself for another mode of living.

We need such young men in farming. We need that type of trained farmer. Here is a young, scientific farmer, but he is discouraged. I say that the people of the United States have a stake in seeing to it that we do not follow a farm program which discourages and drives off the farms young men such as the one I have just described. They are filled with discouragement these days. When we make the fight for a restoration of the purchasing power of the American farmer, we are not only fighting for the oncoming generation of American farmers, but we are also fighting for the best economic welfare of oncoming generations of all Americans.

I close this segment of my speech by saying we should take a look at the hard, cold facts about population. We cannot justify a flexible support program, leading to discouragement, leading to an exodus from the farms, and undercutting the purchasing power of the American farmer, which, if undercut sufficiently, will bring down the purchasing power of all the rest of us.

I was talking about the need for a return to high purchasing power as represented by a 90-percent-of-parity program. There should not be discrimination between crops. Some may not be adapted to a fixed support program. But aid can and should be rendered by vigorous purchase programs to bolster farm income and provide more adequate diets to millions of our citizens who are in need.

We are living in an age of plenty. We should not, and we need not, allow a condition to continue wherever 6 million families and 2 million individuals, unattached to a family, are unable because of lack of income to buy all the food they need for good nutrition or enough fiber products for an adequate standard of well-being.

To remedy this situation and to augment the money demand for farm commodities, the Senator from Oregon strongly urges the adoption of the following direct-action consumption-expanding programs:

Adoption of a nationwide food-allotment-stamp plan along the lines of a pending amendment to S. 3183.

Extension to all schools of the national school-lunch program, now serving less than one-third of the schools, and doubling of the average Federal contribution per pupil per day.

Improvement and expansion of the fluid milk for schoolchildren program to

provide free with Federal financing at least two half pints of milk per child per day.

Adequate nutrition standards for the Armed Forces and veterans' hospitals, penal institutions, hospitals, and other public and private nonprofit agencies by means of commodity donation or food grants.

UNEMPLOYMENT HURTS FARMERS

The population is growing at the rate of almost 2 million people a year, but farm product consumption and industrial employment are not growing at the same rate. The administration has boasted of the fact that some 64 million people are employed—a new record they say. The plain fact is that employment has not increased in anything like the proportion of population increase.

For example, in 1952 unemployment was 2.5 percent of the labor force. In November and December of 1955—usually high employment periods nationally because of Christmas employment—the administration estimated unemployment at 3.6 percent. Nor do those figures give the full picture because this administration has consistently underestimated actual unemployment.

Wage earners are the principal consumers of farm products. Additional net income of factory workers, and white collar workers go primarily into purchases of necessities. It stands to reason that families with an income of over \$7,500 or \$10,000 a year will not use extra income to buy food—they do not have the need. But lower income families need more food and a better balanced diet than they now have. When they earn more and keep more money after taxes, they buy more food.

There has been an enormous increase between 1929 and 1953 of the percent of income spent for food by families earning between \$4,000 and \$7,500 a year. There is the same dramatic increase in percent purchases of food by lower income families between 1941 and 1953. So, for example, families earning below \$2,000—in constant 1953 prices—increased food purchases in those 12 years from 46 percent to 59.4 percent.

I wish to stress for the RECORD that the statistics I am using in this analysis of the purchase of food are based upon constant 1953 prices.

BIG BUSINESS FAVORITISM HURTS CONSUMER PURCHASING POWER

Since 1953 the policies of the administration have favored upper income groups. Large corporations have increased their profits enormously. Small corporations have suffered decreases in profits and small business failures have increased. Wages have risen, but only slightly.

During the 1953–54 recession profits after taxes of large manufacturing corporations rose 8 percent.

What is important is not the increase in the hourly wage, but the increase in the take-home wage. What has happened in the past few years is that overtime has been greatly decreased. There has been some increase in the hourly wage, but not a substantial increase in the take-home pay. There has been some increase, but not a com-

mensurate one compared to the profits after taxes received by the industries in which the workers labor.

As I said, during the 1953–54 recession, profits after taxes of large manufacturing corporations rose 8 percent. They did not go down during the recession. This was during the period when manufacturing unemployment frequently increased at a rate of 100,000 a month. In other words, unemployment increased, but the income for the corporations during that period of recession rose 8 percent after taxes.

Despite the 1953–54 economic recession, the net income after taxes of manufacturing corporations with assets of more than \$100 million rose from \$6.1 billion in 1952 to almost \$6.9 billion in 1953, and to \$7.4 billion in 1954. During the same years, the net income after taxes of manufacturing corporations with assets between a quarter of a million dollars and a million dollars declined steadily from \$479 million in 1952 to \$400 million in 1954. During that recession period stock prices increased 19 percent and dividends 5 percent. In 1954, banks lent less money, but made greater profits because of the high interest rate policies of the administration. Farm income was down 3 percent.

Since that time the gap and contrast have become even greater. In 1954 corporate profits after taxes were \$17 billion. In the third quarter of 1955, corporate profits after taxes were at the rate of \$22.2 billion. Corporate stock prices rose from an index figure of 229 in 1954 to an index figure of 335 in the last week of December 1955.

From 1954 to the third quarter of 1955—the latest figures available to me—farm income declined \$2 billion.

What did the administration do during the 1953–54 recession? It resisted decreases in excise taxes, which are nothing more than national sales taxes. Let us not "kid" ourselves about what they are. They are regressive national sales taxes.

In Congress, we were successful in reducing a few taxes, but it took a lot of hard work and I am proud that I was one who joined in that battle on the side of those who sought to reduce excises.

While fighting decreases in national sales taxes, which sales taxes hurt consumers and discourage buying, the administration was also fighting modest increases in the personal and dependency exemption which would have increased food purchasing power for low-income groups. It also fought and defeated a \$20 tax credit for individuals.

I wish to say to the senior Senator from Georgia [Mr. GEORGE] that when the administration fought him on his tax proposals, it fought the farmers of America. The administration fought the farmers of America when it fought the Senator from Georgia, because it fought tax exemptions, proposed by the Senator from Georgia, which would have resulted in the consumers of America buying more food from the farmers of America.

The trouble with the political propagandists is that they feel the American people will not move from the major premise to the minor premise to the

conclusion of the syllogism. They insult the intelligence of the American people by presuming that the American people will not think through the premises.

Let me point out that the opposition of the administration to a reduction of excise taxes and to the proposals of the Senator from Georgia with regard to the tax exemptions constituted opposition to the best interests of the farmers of America, because the tax saving for which the Senator from Georgia so heroically fought would have gone, in large measure, into food purchases, and thereby helped to increase the purchasing power of the farmer. In my judgment, it would have had a beneficial effect on prices, and the farmer would have been able to get some increase in his income.

What the administration did was to put across a multibillion—yes, billion—tax-cut bill for large corporations, stockholders, and large estates.

One tax amendment I fought was one which sought to change the rules on depreciation. That amendment, which unfortunately was agreed to, is estimated to cost the United States Treasury \$19 billion in the first 17 years of operation. Randolph Paul, a great student of taxes—who died while testifying before a congressional committee—pointed out that under the new depreciation scheme large corporations would be the principal beneficiaries, and would permanently avoid millions of dollars of corporate income taxes.

Stockholders were given generous tax cuts. Bear in mind that only about 8 percent of our people own stock, and the lion's share is in the hands of a tiny percentage of the people.

What did this administration tax bill mean to farmers? I want the farmers of America not to forget that in the historic campaign which is about to get underway this administration, in my judgment, will go about the country making the same sort of promises it has always made. What I wish the farmers to do is to read right into the teeth of the spokesmen of the administration this sorry record of taxes since it has been in office. This is what the tax bill of this administration has done to cheat the American farmers out of the decent standard of living to which they are entitled.

This meant that cash was put into the pockets of upper-income earners, who do not proportionately increase purchases for necessities with their tax savings. It meant that low- and middle-income families did not get tax relief, did not get needed cash in their pockets. If they had been granted tax relief, a great deal of it would have gone into food purchases.

SMALL BUSINESS HURT BY SAME POLICIES

When I talk to small-business men at their meetings, and when they come before our committee, I sometimes josh them about their tendency to think they are big capitalists and stand somewhat on the same economic footing with General Motors, United States Steel, and other great monopolistic combines. I say, "Do you know where your interest really lies? It is to be found with the

farmers and the workers, the teachers and the professional people, and with the great bulk of consumers."

Many of them went along with the tax giveaway to big business during the historical tax fight in the early days of this administration.

The merchants on Main Street suffer from the loss of farm family purchasing power. Business people in farm communities are directly dependent upon their farm neighbors for sales. They are caught in the same economic pinch as the farmer and that pinch is felt first by small-business men in farm communities. This is a vicious circle because for many farm products the best market is the nearest market and loss of income in nearby towns and cities reduced local purchases of produce.

The farm market for consumer products has a long way to go before it catches up with the conveniences that are standard in city homes. The yet untapped markets for consumer goods on the farms is huge. That market will remain untapped until farm family purchasing power is restored.

Only 78 percent of farm families have electric lights compared to 99 percent of nonfarm families. Only 43 percent of farm families have running water, compared to a nonfarm percentage of 96 percent. Inside flush toilets 28 percent to 93 percent; telephones 38 percent to 82 percent; inside tub or shower 30 percent compared to 89 percent; 55 percent of farm wives have kitchen sinks, 95 percent of other wives have sinks.

Industry also suffers when farm purchasing power suffers because it is losing one of the largest sources of sales for its products.

Let me quote from a speech by the president of Inland Steel. On December 3, 1954, Clarence Randall said:

You remember the prosperity the farmer had shortly after the war? That prosperity was transferred to the agricultural implement companies. Some of you here tonight wish you had that prosperity back. It was transferred to the steel companies from the implement companies. The farmer was buying every piece of equipment he had ever heard of.

* * * What would happen to the businesses represented in this room if the farmer were cut back 12 percent? We would have hard work to get together for this meeting because it is from that 12 percent that the farmer buys our products.

During the past 2 years farm income has gone down drastically, as the Senator from North Dakota [Mr. Young] just pointed out. With it the percentage of farm income spent for capital goods like tractors has also declined. Farmers are probably the largest mass purchasers of petroleum products, and many other mass produced goods.

No economy can long stand the strain of falling purchases of manufactured goods by a large segment of the population.

Industry is losing income it needs when farm purchasing power is weakened. The big corporations need earnings before they can save on taxes. The tax handouts will last only so long.

Unemployment grows as a result of loss of farm purchasing power. A direct

result is loss of sales and loss of revenue in the service trades in the cities. This leads in turn to curtailed food buying in the cities—and the vicious cycle feeds upon itself.

Despite the claims of high employment, unemployment during the last 3 years nationally has been too high. During "good" periods it has consistently remained at over 2 million, and frequently exceeded 5 million. At the end of 1955, the unemployed numbered at least 3.6 percent of those seeking work.

Those unemployed are more than a statistic—they are millions of human beings who need work and want to work. No effort should be spared to stimulate the economy so that they can lead productive lives and provide their families with the necessities and decencies of existence.

Their unemployment is a drag upon the economy because they do not have purchasing power and many require community assistance.

The free enterprise system is capable of providing them with work and maintaining their purchasing power in the interest of all other groups in the economy.

However complacent some may be about national figures, there is no excuse for complacency about Oregon employment.

Every winter our State experiences high unemployment. If the weather is severe our unemployment is very bad. If it is relatively mild, unemployment is fairly bad. But, either way—it is bad. The figures show Oregon unemployment is among the highest in the country in winter—and usually we have the highest or second or third highest rate of joblessness. For the week ending January 21, the Oregon rate of unemployment was the highest in the country—9.6 percent of covered employment. This is a distinction we could well do without. We need and can have and should have an economy that is better balanced and not so heavily dependent upon seasonal industry.

NEEDED: A FARM PROGRAM FOR A BALANCED GROWING ECONOMY

Just as we need to adopt programs to expand purchasing power of American consumers so that they may buy all of the food and fiber they need for adequate standards, we also need to make maximum use of the abundance of which American family farmers are so efficiently capable of producing to back up and buttress an intelligent foreign economic policy and a foreign policy that will lead the world to ultimate permanent peace with honor, and expanded democratic free governments.

Many United States produced farm commodities, up to 10 percent of total production, must in normal years find a market outside our national boundaries. This market can and should be expanded. Additional agricultural attachés and improved advertising and merchandising will help some. But just as in the case of domestic market, the really big increases in market demand for United States produced farm commodities can come only from increased purchasing power in foreign countries,

or from United States Government purchases designed for foreign shipment. This total can be raised from the current annual export sales of \$2½ billion to at least \$4 billion by the combined and coordinated use by our Nation of certain measures. We shall be protecting our farmers at the same time, by intelligent methods, rather than restricting ones, against the ill effects of imports that compete with United States farm products. To do this the Senator from Oregon has proposed and continues to urge the adoption of measures such as the following:

Negotiation and establishment of additional international commodity agreements, such as the International Wheat Agreement, for all raw materials that enter importantly into international trade, which will bring into agreement all of the importing nations as well as all of the exporting nations for each commodity.

Negotiation and establishment of an international food and raw materials reserve or clearing house, to stabilize supplies, relieve famines, and stabilize prices of all food and other raw material commodities that enter importantly in international trade.

Expand the authorizations of the Agricultural Trade Development and Assistance Act to provide for \$1.3 billion per year of donations and sales for soft currencies of United States farm commodities instead of the \$600 million per year now authorized, and expand the purposes for which donated commodities and loans of soft currency may be used to include establishment and operation of systems of universal free general and vocational education in nations of the free world, where such do not now exist.

Continuation and intelligent expansion of the point 4 program of United States aid to economic development of other free nations in a way that will increase coordinated economic growth of the nations of the free world without imperiling markets for American agriculture.

Continuation of the reciprocal trade agreements providing for worldwide tariff reductions and customs simplification.

Inauguration of full parity compensatory domestic income deficiency payments as primary reliance in supporting farmers' returns on farm commodities that are imported or exported as part of a nationwide program of trade adjustment aids to United States industries, communities, workers, and farmers injured by tariff reductions and elimination of import quotas.

Vastly increased domestic consumer and export demand for United States farm commodities would be insured by adoption of the programs mentioned in my remarks earlier.

In combination with the domestic consumption-expansion programs, these special export programs would mean for the foreseeable future that demand for farm products and expanding full employment economy would be sufficient to absorb full farm production at prices approximating 90 or 100 percent of parity, although some would constantly be

in danger of falling below parity in the absence of a support program.

WINNING THE PEACE WITH FOOD

I may say that I intend to continue to urge, as I have been urging for many years on the floor of the Senate, and also as a member of the Committee on Foreign Relations, that the United States proceed to enter into international economic treaties with governments in the backward areas of the world, where there is need for food. I happen to believe that one of the greatest weapons we have for winning the peace is American food. I happen to believe that our greatest export need is the exportation of economic freedom—and we call it enlightened capitalism.

What we need to do in the decades ahead is to export American investments into the backward areas, to help build up their economic productive power, so that they can enjoy a decent standard of living. With a decent standard of living maintained, communism cannot make any headway in the backward areas of the world.

To implement my theory, as some call it—to put into practice the ideal I urge as a great instrumentality of business as a part of our foreign policy program—I happen to believe that the people will have to stand back of the American investors in the areas of the world where the investments are needed. I care not what country be named, whether it be India, Burma, Indonesia, Indochina, or some South American country that needs help or relief—the fight for freedom must be won.

I say the greatest weapon we have against Russia is the proved ability of capitalism to give to the people a decent standard of living. We shall have to export capitalism. The backward countries of the world do not have a capitalistic system; most of them have a feudal system. They need factories, they need roads, they need power facilities, they need great economic producing agencies of a capitalistic order.

Why are we not making those investments? There are many reasons. Some of our investors say, "We cannot take a chance. If we go into those countries, our investments are likely to be confiscated or nationalized. In our own country, we know that our Government is behind us and will back us up."

Mr. President, my colleagues have heard me say this before, but I want to say it again in this speech: What we need to do is to change our foreign economic policy of the flag following the dollar, to a policy under which the dollar will follow the flag. What a difference. What a difference between dollar diplomacy and a policy under which the countries in which we will make investments will become our friends. It is the difference between the economic exploitation of weaker peoples and the building up of the economic productive power of weaker peoples.

Of course, the American investors should make a fair profit. But if the Government will back them up, on the basis of the Federal Deposit Insurance Corporation principle, under which the Government backs up the depositors in

the banks, so that they will know they will be backed up, and that the people of the United States will make them economically whole in case there is confiscation—and I think such treaties should provide that in case of a violation by a country in which an investment is made under the economic treaty, the countries concerned will agree to take the case into the juridical process of the United Nations—I believe we would have a procedure which would give us some hope of exporting economic freedom.

What is the application of that principle to our problem today? It is a very direct one, because the kind of program which I think should be tried offers a great source for the use of surplus food which we do not need for ourselves. I am not afraid of the word "dumping." Dumping is a good capitalistic practice. Our merchants practice it, if they are in the retail business, at least once a year, and sometimes twice. They call it "clearance sales." They make ready the surplus inventory and sell it for the best prices they can get. So under my program proposal—and I shall apply it to a foreign-aid bill in a moment—American investors and businessmen who intended to invest in foreign countries would pay into the United States Treasury a dump price for some of the surplus food, which, under the economic treaty that would be made, would be used in exchange for services, products, easements, rights-of-way, and equipment which can be obtained only in the foreign countries. At least, the United States Treasury would receive something for the surplus food, because the foreign countries would not have any money to pay for it.

Theory? Yes. But it is a pretty sound theory if only we will try it and put it into practice.

What has the State Department said every time I have urged this kind of approach? "We are afraid it would be upsetting to the world market, whether it be in wheat or any other surplus product."

I asked the Senator from Kentucky [Mr. CLEMENTS] in a speech on the floor of the Senate the other day, "How can the world market be upset one iota by the sending of wheat, for example, into an area of the world which does not get a bushel of wheat today?" The argument of the State Department is simply nonsense. In the areas of the world which cannot get any wheat at all, the people are starving. Under the arrangement I am proposing, I would be willing to trade tens of thousands of tons of surplus food now in this country at a dump price to build up the economic productive power of the people of India. As I said earlier in my remarks, let us raise our sights 50 or 100 years. Let us listen to what the experts tell us. What would happen if we could raise the standard of living of the people of India only 5 percent in 25 years? We in this country would enjoy prosperity of a much higher level than any we have even dreamed about yet. We are now living in a world in which economics can no longer be bound by national boundaries. We are living in a world in which we have to look at economic laws as they operate on a

worldwide basis. We cannot solve the problem overnight; and I am not an "overnighter" on this issue, either.

I say, let us make a start. Instead of talking about a restrictive farm program, let us talk about a farm program which can be used as a great weapon in our fight against communism, by using our surplus food as an export—not merely as an export alone, but as an instrumentality in export that will help build up the economic productive power of weaker people.

Mr. President, I said I would make a brief comment on the relationship of the program I have just suggested to foreign aid. Last year, in the Committee on Foreign Relations, I voted against the foreign aid bill, knowing I would receive a certain amount of abuse and castigation from people who did not take the time to find out my reasons. I gave my reasons at the time. I gave them in a press release from the committee. I gave them on the same day on the floor of the Senate. I said I voted against the foreign aid bill in committee, although I would vote for the best foreign aid bill we could get on the floor of the Senate, because in committee I did not want to sanction a bill which provided for such a large percentage of foreign aid in grants, and such a low percentage in loans.

I happen to believe that the grant proposal, the giving of money to countries by way of grants, is not building up their economic productive power. I happen to believe that the idea of loans for investment in capitalism in those areas of the world is the approach which must be made if we are to win this fight for freedom. So I said I would make a fight on the floor of the Senate, as the RECORD shows I did, for an increase in loans.

We were not so successful as I hoped to be, but we were successful, in small part, in attaining our objective by offering certain amendments. I believe we laid a basis in the RECORD which can be used this year in the foreign aid debate, because this year I shall fight again for a greater increase in loans and a decrease in grants, and I shall relate it again, in part, to the farm surplus program. I think here again we can use some of the farm surpluses as a part of the foreign trade program which, in broad, brush strokes, I have outlined this afternoon.

Neither President Eisenhower's message on agriculture nor the pending farm bill makes provision to meet any of these needs to expand domestic and foreign demand for American farm products. I think we ought to get busy in the Foreign Relations Committee and see if we cannot help in that respect.

THE SENATE FARM BILL MOVES IN THE RIGHT DIRECTION

For many years, I have taken the position that the Congress should insulate our farm economy from the devastating effects of the present administration's farm program, and I have urged that the farmers be placed as nearly as possible in a status comparable to that which prevailed when the present administration took over. If we do this, we can then debate the various issues in

the calm atmosphere of economic safety rather than in the tempestuous atmosphere of threatened farm depression.

As I study the Senate farm bill, I am more and more convinced that the bill does something that the administration's farm proposals failed utterly to attempt. S. 3183 endeavors to restore some of our farm prices to decent levels. It restores 90 percent supports for basics. It raises minimum support of milk to 80 percent of parity, and restores the old 30-month base for calculating manufacturing milk parity. I intend to lend support to its income-bolstering provisions, and whenever strengthening amendments designed to improve farm income further appear to be reasonable and warranted, they shall have my support.

With this in mind, I was particularly pleased when the majority of the Senate Committee on Agriculture and Forestry voted to restore 90 percent supports on our basic farm crops. These committee members demonstrated that they understand the wisdom of legislating adequate and fair farm prices to the end that we may have a sound farm economy.

FLEXIBLE SUPPORTS NO CURE FOR FARM SURPLUSES

The administration would have us believe that if our farmers endure the sliding scale support program a little longer, the disappearance of our farm surpluses will be "just around the corner."

Experience on commodities which have been flexed by Benson simply does not bear out this assertion. The advocates of flexible supports do not give ample consideration to the extremely important item of the farmer's fixed costs. If returns per bushel drop, the farmer intensifies his production. If his money income from crops becomes smaller, the farmer tries to produce more bushels to pay the banker his interest and to pay his tax bill and other unyielding costs.

Here are a few examples of tremendous increases in production which have occurred on crops which were given the Benson downward-support treatment:

Benson has cut price supports on oats 22 percent since 1952. Production has gone up 25 percent.

Soybean supports were cut 20 percent during the same period and production has gone up 30 percent.

Barley supports were cut 23 percent. Production went up 73 percent.

Rye supports were cut 17 percent. Production climbed 81 percent.

Grain sorghum supports were cut 25 percent. Production has gone up an amazing 180 percent.

Some of these increases in production result from acreage allotments on the basic crops, but it is equally clear that where the return per bushel dropped, the farmer produced more in order to recoup his lost income.

Using wheat as a good illustration, let us go into a bit of history to find out what happened to production, under flexible supports, between 1938 and 1940. According to the Department of Agriculture, the price support level of wheat—in percentages—was 52 for 1938, 56 for 1939, and 57 for 1940. However, during the same period our wheat carryover increased almost 83 percent—

from 153 million bushels to 280 million bushels. During those years the farmers tried to make up for income losses and to meet fixed costs by expanding production.

Flexible supports traditionally operate in see-saw fashion. As prices are flexed downward, a resulting upward pressure of production is bound to occur. The farmers do not want to play Benson's see-saw game, because it offers no offset for their income losses.

Marketing quotas and resulting wheat allotments kept wheat production from reaching new heights following the administration's reduction of wheat price supports for the 1955 crop. The fact that a new production record was not reached was probably attributable to reductions in wheat acreage and excellent compliance by farmers with their acreage allotments. In 1954, with a 62 million acre allotment, farmers cut their plantings more than 16 million acres to 62,569,000 acres. In 1955, despite lower price supports, acreage was further cut to 58,284,000 acres.

Because of the cooperation of the farmers under the allotment program, our wheat production in 1954 was 984 million bushels, compared to a 900 million bushel total usage. In 1955 production was cut to 938 million bushels, compared to a 914 million bushel total usage. The Department of Agriculture is estimating, on the basis of existing law, a production of 925 million bushels in 1956 and a 928 million bushel total usage.

Acreage allotments are bringing production and total usage of wheat into balance. The sliding scale did not do this job.

The flexible support program has not proved itself to be a magic formula under which farm surpluses will disappear. In effect, the administration confesses this, when it proposes the new soil bank approach.

BASIC DECISION: SHALL THE FARMERS BEAR THE WHOLE IMPACT OF OUR SURPLUS DISPOSAL PROBLEM?

It is high time that the Members of the Senate face a fundamental issue concerning our surpluses. These surpluses must be reduced, and the process of making such reduction is going to be expensive. Someone must bear that cost. Apparently the administration feels that the farmers should bear the burden, and their "flexible support—income reducing" program for the farmers constitutes convincing evidence of this intention.

I am firmly of the opinion that no economic group in our country, such as the farmers, should be singled out to bear the brunt of the cost of reducing our surpluses. If it costs money to reduce surpluses to a reasonable level, I think the people as a whole should share in that cost. I am firmly of the opinion that the surplus disposal problem is national in scope.

We can cut surpluses by various programs, but I think we make a tremendous mistake if we permit full play to be given to the theory that downward flexing of farm commodity support prices will eliminate our surpluses.

Because there is such a close relationship between farm income and the income of the rest of us, I urge that we support the provisions of the Senate bill which would restore price supports on our basic crops; and then, at the earliest possible moment, I think we should give thorough consideration to the price structure of other farm commodities.

As I have said many times, I do not believe our surpluses constitute a burden. I believe they are a blessing for which we, as Americans, should be humbly thankful. As our population trends continue upward, we shall be more and more thankful of the fact that we have high productivity on our farms. In the not too distant future, I suspect we shall be dealing with problems of how to increase production of our existing facilities, rather than how to dispose of surpluses. Future generations will thank us for having kept our farm economy strong today.

A SOUND LONG-RANGE WHEAT PROGRAM

The 90-percent price-support for wheat, as set forth in the new farm bill, will be of immense help to the Nation's wheat farmers because it will deal effectively with the immediate problem—that of stopping the decline in income of the wheat farmers under the administration's flexible or "toboggan slide" program. The situation has been aggravated by the downward pressures of the so-called modernized parity formula which went into effect with respect to the 1956 crop.

Oregon wheat farmers as a group have a deep interest in the future of our farm economy. They view the wheat program from a long-range standpoint, rather than on a year-to-year basis. They realize that we must do something about our wheat surpluses, and they wish to cooperate with the Government in bringing these surpluses down to reasonable limits. However, they are understandably reluctant to solve the problem through a system which would result in bankruptcy for wheat farmers; and they know that the administration's flexible price-support program will do just that, if it is permitted to continue.

The 90-percent-support program will work for wheat, because wheat farmers have demonstrated, not only by their overwhelming votes in favor of marketing quotas, but by a high degree of compliance with their acreage allotments, that they will keep wheat production and total usage in balance at 90 percent of parity.

THE DOMESTIC PARITY PLAN FOR WHEAT

A number of farm organizations in my State, including the Oregon Wheat Growers League—a member of the National Association of Wheat Growers, the Oregon Farm Bureau Federation, and the Grange, have proposed a solution to the wheat surplus problem in the form of the domestic parity plan.

This plan in its broadest outlines is one which is designed to put the farmers on the same plane as that of other segments of our American economy. It assures them a return equal to parity for the portion of our Nation's wheat production which is used domestically for

human consumption. In recent years, this has totaled approximately 500 million bushels. The balance, about 400 million bushels, would be available for other uses, including export, feed, and industrial purposes.

The special feature of the plan which should have particular appeal to the Congress is the fact that if the plan became fully operative, the Government would no longer have the burden of price support in the market place, Government export subsidies, storage, deterioration, and handling costs. That burden would be eliminated.

Under the domestic parity plan, wheat raised in this country would be sold on the market at a price which would allow the wheat to move into all channels of use. The farmers would be assured 100 percent of parity on the portion of their production reflected in domestic human consumption of wheat. I do not believe it is necessary at this time to go into a full explanation of how this plan would operate, because that subject has been covered in detail in previous comments made on the floor of the Senate, as well as in committee. On yesterday afternoon, the Senator from Kansas [Mr. CARLSON] discussed the program at length. At that time I associated myself with his remarks, and assured him that I was giving complete support to his amendment, of which I am one of the cosponsors, along with my distinguished colleague who now is presiding over the Senate [Mr. NEUBERGER].

The following broad outline, however, will provide a brief résumé of how the plan works:

First. The farmer would sell all of his wheat to the grain dealer at the prevailing market price. The grain dealer would, in turn, sell to the miller, exporter, feed dealer, and industrial user, as the case might be, at a competitive price. Incidentally this demonstrates that the label "two-price" is a misnomer for this plan, because, as a matter of fact, the wheat would move into all channels of trade at one competitive price level.

Second. The farmer would be guaranteed 100 percent of parity on the portion which would be used for domestic food consumption, through a certificate issued to him by the Secretary. In other words, the price he received from the sale in the market, plus the value of his certificate, would bring him 100 percent of parity.

Third. After the Secretary of Agriculture had determined, for each marketing year, the portion of the wheat crop which would go into domestic human-food consumption, he would allocate this quota to the farmers, in the form of negotiable wheat certificates representing the farmer's share of total production in bushels, rather than in acres. These certificates would be allocated to the farmers on the basis and under the same mechanics that apply to present acreage allotments.

Fourth. The domestic parity plan would stimulate the production of higher quality wheat, because the premium for quality would be determined in the market place, and the farmer would be inclined to supply the market with the best

quality possible in order to receive the premium price for all of his production.

Fifth. Returning to our millers and processors mentioned in a preceding paragraph, under the domestic parity plan they would buy all their wheat on the open market. Before they moved their products into the consumer market, they would purchase from the Commodity Credit Corporation certificates covering the total amount of wheat processed by them for consumption as human food. This would make the domestic parity plan self-financing, and would not raise the price of wheat products to the consumer, because, today, the miller has to pay above the market price for the quality of wheat he needs for processing, which is about the same as 100 percent of parity.

Mr. President, some apprehension has been expressed by farmers in the corn belt concerning the possible adverse effects of the domestic parity plan on their price structure. I am of the opinion that these fears are unfounded. The fact is that under the acreage-allotment system and crop diversion, corn producers have observed tremendous increases in the production of barley, oats, rye, and other competing grains. For example, in the 1954 crop year the acres diverted from wheat, produced almost 37 percent more feed grains than would have been produced if feed wheat had been planted on these diverted acres. In 1955, the same diverted acres produced 50 percent more feed grains than they would have produced in the form of feed wheat.

The figures for August 1, 1955, show that in 1955 the production of oats, barley, and grain sorghums increased 558 million bushels above the 10-year average, while the 1955 production of wheat was 243 million bushels below the 10-year average. This demonstrates that our present efforts to reduce wheat production have resulted in the creation of another problem, namely, excessive increases in feed grains.

That is a point which needs to be stressed during this debate, because it is a point which is very much overlooked. If the corn producers wish to protect themselves, in my judgment they should favor this program, rather than the present program, because the present program has resulted in increasing the production of competing grains.

Mr. President, one of the many desirable features of the domestic parity plan is its assurance of fair and reasonable returns for the wheat farmers. Along with the savings that will result to the Government under this program, the farmers will receive an increase in income.

Mr. President, by way of summary, let me list the many advantages of the domestic parity plan as they relate to the various segments of our economy:

First. The public would be saved the expense of subsidizing wheat into export markets to the extent of about \$200 million annually.

Second. The Government could withdraw from the wheat business and permit it to be handled by American businessmen—our grain dealers, millers, ex-

porters, and others in the wheat and wheat products business.

Third. The wheat farmer could plan a long-range program for his farm which would encourage the planning of farm operations in accordance with changing production and market conditions.

Fourth. The grain trade would be free to operate without Government restrictions, since the reestablishment of one open market price would restore to the wheat trader his traditional marketing functions on a free and competitive basis.

Fifth. Other agricultural producers would not have to compete with all the lands diverted from wheat production because, as mentioned before, an increase in wheat acres decreases oats, barley, corn, and other feed-grain production.

The domestic parity plan is compatible with the soil-bank plan now being considered by the Senate. The soil-bank payments to producers would not have to be as large as under present price-support programs, because of the fact that the attractiveness of the soil-bank payments would be measured against profits from sales at free market prices. Therefore, the soil-bank approach could be expected to be more effective than if operated in conjunction with present price-support and adjustment programs. I have joined with the Senator from Kansas [Mr. CARLSON] and six other Senate colleagues, including my junior colleague [Mr. NEUBERGER], in a bipartisan cosponsorship of an amendment to provide by referendum the domestic parity plan for wheat.

The domestic parity amendment, if adopted, would supplement the wheat-support provision just mentioned by becoming effective on the 1957 crop—and not sooner—provided the farmers vote favorably on the domestic parity plan under a referendum held pursuant to provisions of the amendment.

We are not forcing this on the wheat farmers. In fact, we have introduced the proposal, as the present Presiding Officer knows, because the wheat farmers themselves—the Oregon Wheat League, in our case—asked, in the first instance, that a bill be introduced. We introduced the bill. Hearings were held on the bill, and I am sure my colleague [Mr. NEUBERGER] joins me in saying that we became completely convinced that this is a sound economic program for the benefit, not only of our wheat farmers, but the agricultural economy generally.

In sincerely hope that the Senate will act favorably on the domestic parity amendment, thereby opening the way to a realistic long-range marketing program for wheat.

THE PARITY FORMULA

The committee is to be commended for its inclusion of section 106 of the bill now under consideration. This section provides that the Secretary shall use either the old parity price or modernized parity, whichever is higher, in determining price supports on basic products.

Section 106 tends to ease the pressure of falling farm prices. In this respect it, too, deals directly with the problem of falling farm income. It deserves our support.

ASSISTANCE FOR LIVESTOCK RAISERS

The Senate farm bill offers some hope for hard-pressed livestock raisers. Section 305 of the bill would authorize an annual appropriation of \$250 million for so-called section 32 purchases. The \$250 million so authorized would not be subjected to the existing 25-percent limitation on the expenditure of funds with respect to any one agricultural commodity.

The section 32 program, if implemented with funds authorized under the new bill, could be utilized to good advantage in the purchase of meat and meat products. Such a meat purchase program would exert upward pressures on our present sagging prices of livestock. However, it is my opinion that this part of the farm bill could be strengthened in three respects. First, the amount authorized should be increased if it is to have substantial effects on products that are in surplus and depressed in price. I shall support amendments designed to increase substantially the \$250 million figure now included in this section.

Second, I believe that if the bill is to be really effective in coping with the problems of depressed farm income, it must be supplemented by a provision calling for certifications, by processors and others similarly situated, that the producers of the commodities purchased by the Secretary have received not less than the equivalent of fair support prices. In the case of livestock purchases, this would avoid the regrettable situation whereby such purchases result in profits for packers, rather than fair prices for producers, as in the case of the recent pork purchase program carried on by Secretary Benson.

Third, I think we should make the use of these funds mandatory at some point. Secretary of Agriculture Benson has failed to institute effective purchase programs for hogs, although they fell to 50 percent of parity, or any program at all for cattle, which dropped to 63 percent of parity. While such a mandatory provision is difficult to write, I do not see, in face of the record, how we can rely on the Secretary to exercise his discretion on when to use these funds.

PREMIUM PAYMENTS FOR LIGHTWEIGHT LIVESTOCK

I am one of the cosponsors of the proposal of the Senator from Minnesota [Mr. HUMPHREY], dealing with the plan for a premium price to be paid for livestock which is to be sold in the market at so-called light weights—but at weights which, we all know, really produce the best meat. Very frequently the American consumer overlooks the fact that it is not the heaviest animal that puts the best meat on his table. If what we wanted to do was to put on the table the best of meat, we sometimes would send to the slaughterhouse the lighter carcasses. However, it is only natural for the livestock producer to make the animal as heavy as he can in order to get the largest total price for the carcass.

The Senator from Minnesota [Mr. HUMPHREY] originally introduced a bill. I understand he is now proposing an

amendment, to provide for a premium support program, by way of payments for sending into the marketplace lighter animals. The plan would have many advantages. It would not only give to the livestock producer some boost in income, which he sorely needs these days—particularly the small producer—but it would also help to solve the surplus problem.

I will go along at any time with a program which provides premium payments in connection with the sale of breeding females in the livestock industry. If we really desire to handle the surplus problem we must go into the production end of it and reduce production.

I have sat in livestock meetings and listened to a great deal of talk with respect to all the plans as to what we should do in order to reduce the number of breeding females in the various breeds of livestock. I think we should give consideration to some premium payments which would go to the farmer who puts into the slaughterhouse a surplus of breeding female livestock.

I have said that such proposals would be of assistance particularly to the small livestock producer. Today the large producers are also hurt. Let no one think for a moment that the big livestock producers are not badly hurt. So far they are in a little better condition to ride out the storm. The small producer is not. I am very much concerned about the small livestock producer, because I know him well. I associate with him a great deal in connection with my agricultural interests. I know something about his plight. He is not buying new farm machinery. If he can hold it together with baling wire, he is using baling wire to hold it together. That shows what is happening to his purchasing power.

So I hope, before the debate is concluded on this bill, and before the bill is finally passed, we shall give very careful and favorable consideration to some of the amendments which will be proposed in connection with the livestock producer.

I expect to support a proposed amendment to pay bonuses of \$1 to \$3 per hundredweight to get hogs and cattle marketed at lighter weights when there is an oversupply of meat.

It will shorten supply at times of high production and firm the market. That will be advantageous to the Government if a support program is in effect, or to the farmers if it is not.

THE STATE SHOULD NOT BE COMPELLED TO CONTRIBUTE TO FEED AND SEED DISASTER RELIEF

One section of the Senate farm bill that impresses me as being very unfair towards the States, such as my own State of Oregon, is section 309 of the present bill. If this section were to become law, it would require Oregon, beginning in March 1957, to contribute 15 percent of the cost of disaster feed and seed supplied by the Government to hard pressed farmers.

At the present time, the Federal Government is providing such feed and seed without the necessity for State contributions to the cost of the program.

It seems to me that if there is any occasion upon which a State should not be

required to contribute to a Federal disaster relief program, it is when the State is in the throes of battling a disaster. When a disaster hits, the State has enormous problems and extremely heavy demands upon their treasuries, and this 15-percent contribution requirement would simply be an added burden.

Mr. President, let me make perfectly clear for the RECORD that I am not at all in favor of a State contribution program, because our States, on a State basis, spend a great amount of money for flood disaster relief on behalf of people who suffer from such disasters. I believe the Federal Government has a great responsibility in connection with these disasters, but I do not believe that we can work out a program of State contributions that is fair. It is certainly not fair to Connecticut and to the other States in the northeastern part of the country, who have suffered great disaster losses in recent months. It is not fair to my State. I believe the Federal contribution ought to be a national basis, without the requirement of a contribution from the States.

Section 309 further complicates the issue because we have no assurance that the affected States will have funds on hand to contribute a 15 percent share of the cost of emergency feed and seed grants. Furthermore, since most State legislatures meet every 2 years for relatively short periods, a State not having emergency funds on hand would have to await the next meeting of the legislature or, if necessary, might have to call a special session to provide the requisite 15-percent contribution. This would be procedurally prohibitive and in many cases economically inadvisable, because a special session of the legislature might well cost more than the contribution the Federal Government might make to the feed and seed program within the State.

Therefore, I am opposed to section 309, and with the cosponsorship of Senators NEUBERGER, MAGNUSON, and MURRAY, I have offered an amendment to strike this section so as to relieve the States of an additional disaster burden.

THE SOIL BANK

Mr. President, there are 39 million acres of land under cultivation which the Soil Conservation Service classifies as totally unfit for cultivation—much of it even too poor to make grazing land. We ought to get this out of production.

There are also 47 million acres of class 4 agricultural land which have very limited capability for cultivation and might be better used for grass and trees. Much of this should be retired from cultivation.

These acres are not on every farm in the Nation, and taking a few acres out of cultivation on each farm will not necessarily establish the land practices we need. If we are going to adopt the soil bank, we should also institute immediate studies to make the conservation practices which result from the program coincide with our conservation needs.

The soil bank program will not add any net increase to the farmers in the coming year. It is apparently planned

to get soil bank checks out this summer, which will be before the elections, but it will be painfully apparent to farmers in the fall, when they have less produce to take to market, that the pre-election checks were only an advance payment on what they otherwise would have gotten in the fall.

I am going along with this proposal so the farmers may see what the administration was willing to do for them—which is nothing in the way of an increase in net income—and in the hope that Eisenhower will let the farmers have 90 percent supports in order to get his soil bank plan.

It seems to me that the time is at hand for a very thorough consideration by the Congress of a long-range plan for the retirement of our less productive farmlands under a Bankhead-Jones type of program, including the relocation and rehabilitation aspects of that program for small farmers.

In conclusion, Mr. President, I repeat that our most pressing work at hand is to restore income to our farmers, so that they may again enjoy the economic status they so richly deserve as our Nation's providers of the food and fiber that is absolutely essential to our economy.

Our watchword in this debate, as we come to face each amendment, must be: What will be the effect of this amendment upon increasing the purchasing power of American farmers?

It is now that the American farmers need to have their net income increased. I shall support amendments which will have the effect of increasing the purchasing power of American farmers, so that greater assurance of a high standard of living can be given not only to them, but to all the people of our country.

Mr. JOHNSTON of South Carolina. Mr. President, before I begin my statement I should like to commend the Senator from Oregon for the wonderful speech he has made. We always find him fighting for the people who need help. I know he will agree with me that the farmers of the United States certainly need much help.

Mr. MORSE. Mr. President, I thank the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, for weeks now farm legislation has been on the tips of most of our tongues in the Senate. For weeks the plight of the farmer has been under discussion.

A constant hammering of the administration for its program with every force at its command, including threats of Presidential veto, has been going on for months. The President, Mr. Benson, leaders of the administration everywhere have been working away busily trying to discredit the work of the Senate Committee on Agriculture and Forestry. All I have heard is that we must back the administration's program—Mr. Benson's program—but not once have I really heard any representative of the administration speak in terms of the farmers' program. The members of the Senate Committee on Agriculture and Forestry

spent months in the field last year holding hearings to find out from the farmers, not from Mr. Benson or experts sitting on their soft leather cushions in Washington, what they thought the trouble was with their own problems. Overwhelmingly and with rare dissent, through the great farm areas of the Nation came the cry for a return to 90-percent supports, with rigid controls, on the basic commodities.

So much has been said here in the past couple of weeks that I am afraid some of us are missing the point of the farmer's case. So much has been threatened by the administration and so much has been promised that I am afraid some of us may be getting off base and into a forest of propaganda and hysteria so thick that we cannot see the trees. It might be said we cannot see the farmers' problem for the maze of juggled figures and propaganda.

We set out on a track with a good view of where we were going. The track was built for us by the testimony of thousands of farmers given last fall. But the administration has laid so many spurs and side-tracks here in recent weeks that I am afraid we are all trying to go down a different one, and will wind up on the junkheap.

Mr. President, for that reason today I wish to cite a cross-section of the testimony given the Senate Committee on Agriculture and Forestry by farmers in my State concerning the farmers problems and how they think they ought to be solved.

Mr. President, I should like to read to the Senate some of the statements which were made at Columbia, in the State of South Carolina. The first statement is that of George D. Bell, of Callison, S. C., from which I read, as follows:

Mr. Chairman and gentlemen, my name is George D. Bell. I own and operate a farm at Callison in the lower section of Greenwood County, within 2 miles of where my father and grandfather owned and operated farms. For five generations or more my people have been farmers.

Our farmers are generally unorganized. What little organization they have is loosely knit, usually with no united and often divergent purposes. The farmers have no high-priced public relations men to tell their true story to Congress as have other organizations.

We have no way of informing the people that our net income, countrywide, has dropped 27.5 percent since 1948, and has rapidly fallen since the spring of this year; while, during the same period, wages have increased and business profits have reached an all-time high. We have no way of telling the people the consumer pays a small percentage of his income for food and the farmer receives a smaller part of each dollar paid than ever before in history.

We constantly hear a howl about the large farm surpluses the Government has in warehouses over the country. I honestly believe the few hundred million dollars invested in cotton, under the price-support program, is just as essential to the security of our country as the more than \$100 billion invested in war material, about which we hear nothing. It looks like it depends on whose foot the shoe fits.

The manufacturers and their labor are making more than they have ever made before and the farmer is making less. And these manufacturers generally receive cost-

plus contracts, while the farmers get well under 100 percent of parity.

About the only time the farmer's side gets presented to the public is when some Congressman or Senator with the moral fortitude to espouse an unpopular but just cause uses the congressional forum to speak the truth. These courageous men may never hear from us, but you can rest assured that we are grateful and won't forget you. We don't have the opportunity of appearing at your hearings in Washington, and we do appreciate especially your coming here to give us an opportunity to tell our story. We feel honored that a Senator from South Carolina is one of your committee.

Many of our farmers have been forced away from the farms to seek other employment. There cannot be a further acreage reduction without affecting those still operating a family-sized farm. The further reduction of the cotton acreage in my county will make it imperative to unite these small farms into big operations, thus destroying altogether the family-sized farmers who have contributed so much to the stability of America. I tell you, gentlemen, that the family-sized farm is just as American as George Washington, Thomas Jefferson, and the Constitution, and should not be allowed to pass from the American scene.

Gentlemen, our rural schools have gone, the post offices and churches are going. They are taking away our fourth-class post offices and that will affect our churches and finally the people are going to have to move out of the country and you won't have the family-sized farms and it will all be, as you might say, kind of similar to these collective farms in Russia. That is what seems to me to be the trend.

That is the statement of one of my farmers in South Carolina.

The next statement is that of E. H. Agnew, president, South Carolina Farm Bureau, Columbia, S. C. He also is a farmer in the county of which I am a native—Anderson County. This is his statement:

Mr. Chairman and gentlemen of the committee, I am E. H. Agnew, a general farmer from Anderson County, S. C. I farm 266 acres as a combination cotton and small grain and beef cattle farm.

I am here in sympathy with our avowed intention of hearing primarily from individual farmers in South Carolina as to what they want with respect to the future farm support price program. I ask your permission to tender a statement that I have prepared on behalf of the South Carolina Farm Bureau Federation of which I am president.

This statement is made on behalf of the officers and directors and the more than 19,000 farm families in South Carolina who are members of the Farm Bureau. We are grateful for this opportunity. We wish to commend you for making known the fact that you did not want this hearing to be used as a sounding board for farm organizations, but rather that you wanted to hear from as great a number as possible of individual farmers in South Carolina as to what they desire by way of improvement in farm-program legislation, particularly with respect to support prices for farm commodities.

The primary interests of farm people aside from overall national problems, have to do with maintaining abundant production of foods and fibers without loss of opportunity and freedom to participate fully in development, maintenance, and expansion of a sound and prosperous economy. We pledge our vigorous support of every part of a program to accomplish this objective.

We join heartily in widespread support of the provisions of the Agricultural Act of 1949, and we shall just as heartily join in

defense of its basic provisions if need be. We favor 90 percent of parity support price for all basic commodities, and that producers earn such supports by voluntarily adjusting production to consumption. We favor 90 percent of parity support price on any basic crop when growers, by a two-thirds majority vote, impose marketing quotas upon themselves.

We do not favor any two-price system.

We vigorously support rural electrification and REA telephone service to the point that American agriculture be adequately serviced, and we shall vigorously oppose any move designed to cripple these services or to hinder expansion to the point that American farmers be not completely and economically serviced.

We believe that the prime responsibility for recommendations pertaining to the development of a sound national farm program, including acreage control and support-price features of such a program, rests upon the individual producers of each separate commodity, and that recommendations of such producer groups should prevail if and when such recommendation can be justified and proven not to be contrary to the public interest or the overall farm program.

I should like to state that the president of the South Carolina Farm Bureau spoke contrary to the stand of the American Farm Bureau. That organization is against some of the things for which Mr. Agnew spoke. But I admire him for expressing his views concerning the beliefs of the farmers of South Carolina.

Another statement from which I should like to quote is that of Ed B. Baskin, president of the State Association of Soil Conservation District Supervisors, Bishopville, S. C. Mr. Baskin said:

I will summarize, sir. I would like to say that I have been farming 10 years. I came out of the Army in 1945. I farmed 600 acres of land. This 600 acres of land was formerly in four farms. Those four farms at one time grew over 400 acres of cotton. Today the allotment on the four farms is down to 140 acres of cotton, and I believe we face a 10 or 12 percent additional cut when I am willing to take, I want to point that out. On these farms at one time there were more than 20 families and I would say at that time those families averaged as many as 10 people per family.

This shows, Mr. President, how we are drifting. I continue to read:

Today with the present cotton allotment we are down to five families. We have mechanized, don't have a mule on the 600 acres that used to be considered approximately a 25-horse farm. I want to point out that the farmers of South Carolina have never failed to vote overwhelmingly to place acreage controls on both cotton and tobacco.

I would like to substantiate the statements made earlier today that we are not only willing but we are anxious at all times to control ourselves to the very maximum extent that will bring our production in line with the produce that is required by our Nation.

Now, if a man of Mr. Benson's qualifications could be elected President of the United States, I would almost be inclined to go along with it, on the basis that he would put everybody back on the basis of good Christian, honest, hard times. I think probably some hard times would be good for all of us, but there is utterly no hope of doing anything about the dollar-an-hour minimum wage with the comparative scale of high prosperity the rest of this Nation is enjoying today.

So the only answer is to do something to help the farmer. I think it is purely a matter of simple economic justice.

Now, I had some figures here I would like to quote verbatim, but since I am only on ad lib basis, I will quote them as best I can.

The United States has given away since World War I to foreign nations \$130 billion. We have given away \$45 billion to foreign nations since the end of World War II, with \$11 billion sitting in the Treasury yet to be given away. It seems they are having trouble giving it away. Yet our Department of Agriculture less than a month ago comes out with a well-planned propaganda announcement they had lost \$800 million on the farm program within the past year: \$800 million. When you stop to think that in the last 10 years we have given away \$45 billion to foreign nations. The whole thing was set up as a propaganda trap to turn the general public against the farmer and his parity program with a very completely satisfactory and successful result up to the present time.

I think it is most tragic that our Secretary of Agriculture has busied himself in all seriousness, I assume, going up and down the country making speeches which have turned the consuming public and there is where your votes are, against the farmer of our Nation.

I say \$800 million. I think there is a lot of poor business on the part of the Department of Agriculture that more profit was not realized.

Gentlemen, that in my opinion calls for drastic action. I don't know what we are going to do about a Secretary of Agriculture who is fundamentally opposed, in my opinion, to the programs which we all advocate. I recognize and I repeat I think he is a fine Christian gentleman, one of the finest gentlemen in Government service in my time, which makes him hard to attack, but the main thing is he is fundamentally opposed to what we farmers must have. I think that is the biggest problem.

You gentlemen will have to force our Department and the man who heads it at the present time to take objection on behalf of our farmers. There are many other things I would like to say but you want concrete recommendations here today, and I have them and I would like to read that much to you.

The first recommendation I would like to make is for the immediate abandonment of flexible price supports with return to rigid price supports and basic storable commodities. I stress basic storable commodities and I endorse the statements made here this morning that I don't think that any group of producers is entitled to support prices on their commodities unless they are willing to cut their production and bring it in line with the demands of the Nation.

Secondly, I think that rigid acreage allotments which are realistically related to the probable requirements, regardless of severity of cut, should be made.

I think we should require that all acreage retired from cash-crop production be placed in soil-building and soil-conserving crops which will not be marketed from the farm as such.

Mind you, Mr. President, these are recommendations the committee received in the field. I continue to read from Mr. Baskin's statement:

Now, I realize that has been a debatable question this morning, and I would like to discuss that further if you would like to.

Fourth, I think that steps should be taken to see that all regulations are complied with in a uniform manner in all States. I would like to emphasize that by saying it is difficult for me to believe that the astronomical yields being reported in some States are being pro-

duced on standard-sized acres. I think sometimes we have king-sized acres. That is a matter on which there is considerable variation from State to State. That is my opinion and it certainly is not substantiated by any evidence, that I could give you here today.

I have a statement from another gentleman, whom I have known for many, many years, Houston Manning, of Latta, S. C., which I now read:

I am Houston Manning, Latta, S. C.

Mr. Chairman and gentlemen, I am 62 years old, and have been farming all my life. I am only familiar with the problems facing tobacco and cotton farmers. I would not attempt to suggest any way on earth you could help the food crops because they are not imperishable like cotton and tobacco.

Cotton and tobacco are the two most imperishable crops we have and therefore can be considered separately from these other crops. As far as the tobacco program, I don't know one thing I could say to improve it except leave it like it is and cut the production where you can sustain the price at approximately where it is.

In other words, he thinks that should be left alone. He says to leave it as it is at the present time.

Quoting further:

I want to say that I have been a very proud man all my life and am no part of Communist or Socialist. A man informed me the other day I could get \$1,500 to \$1,600 soil conservation. That has been in force for 10 years. I never have qualified for one dime of it and didn't ever want it but 4 years ago I had 1,500 acres of land paid for and today I got \$30,000 in mortgages on it.

Mr. President, that gives you an idea of what has happened.

I read further:

Now I am not saying that it is because of prices of goods, but because of the weather I haven't been able to make one dime in four years.

I put \$70,000 cash outlay every year besides all my land and 25 to 30 tenants, used to be 50, in the mule day, my work and all the farming implements. I haven't made \$5 in four years.

Now, that is not due to prices of products, it is due to rain and sunshine. The weather has cut me over \$60,000 a year income annually—the weather. I am bringing this out to show you that farmers cannot plan a certain production in pounds, in bales, and maintain it because it depends on the weather sent by the Lord. Farming is the most hazardous business in the world.

Usually I make good money on the farm. I have as fine land as there is in South Carolina. My father ahead of me was a large planter. I lost that prosperity in the last four years.

Four years of bad weather capped last year by hurricane Hazel. Hazel cost me 12 to 14 thousand dollars in buildings last year. Having gotten in pretty tight circumstances, I wanted some of that money that President Ike put out for the relief of the storm sufferers. I went to the man who is supposed to handle it. He referred me to the Small Business Administration in Wilmington, N. C. I wrote them and they answered back that they were very sorry, there was no provision made for the farmer to get any of that money.

A man who makes cotton, tobacco, foods, no provision for him to get a cent of that money. That was written to me.

The storm damaged most every tobacco barn I had, blew down one house entirely, and damaged dozens of houses in pack houses. The storm cost me around, I spent 8 or 9 thousand this year repairing and have

to spend 3 to 5 more to get where I was on repairs. Farming is such a hazardous business. It will take 2 to 3 years of good income now to make back what I lost in 1954.

I want you all to remember I am stressing the fact that cotton can be handled different from these perishable products. A bale of cotton in storage, Senator, in a dry place, I have no doubt will keep a hundred years without deterioration. There is a man up here near Senator JOHNSON's county has a bale of cotton made in the 1800's and is apparently in as good condition as it was then. No deterioration in stored cotton in a dry place, approximately none, might be some technical deterioration. You can handle our cotton situation a whole lot better with a whole lot more assurance than perishables.

You could set this 10 million bales aside. Don't forget that cotton is wealth, cotton is not like money, a medium of exchange, cotton is pure wealth. It turns into 78 times its value, 10 million bales of cotton is worth a billion and a half dollars today. But at interest it is worth 10 to 12 billion dollars. You can take a long-term use and do something for it.

There are 3 or 4 things you could do to help our cotton farmers. The first is you get together and put somebody like you and Senator JOHNSON—

He means the Senator from Louisiana [Mr. ELLENDER]—

on the committee that reaches a parity price. Anybody that has an ounce of brains knows that the parity price that they have set is not fair to us, which is now around 33 or 34 cents, doesn't give any American his just share of our national income, as President Eisenhower said on the statehouse steps. Any man that thinks cotton at 33 cents a pound gives the farmer his just share of the national income ought to be put in the insane asylum, or else he is a man with an impure heart. I am talking from 40 years' experience.

So you get a parity concept that takes into account the labor of producing cotton and put that labor down just like the preacher, the teacher, the lawyer, doctor, the labor-union men, all the railroad employees, everybody in America, a clerk in the store, everybody, and be sure they get that \$1 minimum that you put for everybody.

So that is all you have got to consider, consider the condition we are in. We are in the way of bankruptcy as fast as we can go. We would have been there this year if it had not been for support prices, under cotton and tobacco in South Carolina.

We would have made the grade this year if it had not been for support prices. In 1951, I bought a Buick Roadmaster for \$3,124.26. I was getting 45.39 for cotton. That was the limit that Chester Bowles put on it. We were the only people in the world getting under 75 cents then. Everybody in the world was getting 75 cents except the Americans, and we were getting 45.39. A bale of cotton, the seed alone, would give me a check for ginning for \$25 above ginning in 1951. Today, due to stormy weather, most of mine I pay \$3 a bale to get it ginned today. They bill me \$3 a bale out of it. I pay \$3 a bale to get it ginned today. They bill me \$3 for every bale. And I went down and asked the boy what the Buicks were, and he said \$4,200. It is up 35 percent and all farming, so the U. S. News and World Report says, is down 34 percent. I am certain my cotton is down from 45.39 to 30 cents on the Exchange in New York, yet that Buick is up 35 percent, as is all other implements for the farm, trucks, tractors, every implement you can name, household goods and appliances, everything in the world we use.

The doctor's bill is us just as much and the hospitals have doubled, quadrupled, and quintupled. If you have a tenant that makes

cotton alone and let him have a spell of sickness for 30 days, there is not a farm in South Carolina on the average that can make the bill. Thirty days in the hospital, it will range from \$50 to \$500 a week doctors' bills and hospital.

Everything, it is not just one thing up on us, everything in the world is up except the price of cotton, and it is down 34 percent.

Let me pay my respects to our Secretary of Agriculture. When he was first appointed, I went to Darlington, S. C., to hear him make a talk. I thought he was as sweet and fine a Christian gentleman as ever lived, just to hear him talk. I wasn't so much impressed with his brain, but I did give him that. But when he went all over the country as every one of you gentlemen know, and tried to make it appear to all the housewives and all the consumers of farmers' goods that the supporting prices at 90-percent parity was breaking the Government of the United States, I knew he was a liar and the truth was not in him.

That couldn't be so because—that isn't all he did. When he got in that cheese deal the President of the United States should have fired him that day; the first inkling he got of it he ought to have fired Ezra. You know with Ezra coaching him, not you, gentlemen, because everyone of you voted for 90-percent parity, with Ezra coaching the Congress joined with him on price supports. Ninety percent is not right; 75 percent will cure you. Has any greater fallacy ever been put before the people since the world began? His system would work, but after my farm is transferred to someone else. It will work, but it will put the present out and give it to some man who made some money manufacturing—it will work in time.

You all have done a lot of good things for us that will help us. Give us 25 to 30 years and they will come along, but today it will take price advances to hold cotton farmers in the business. That is all there is to it.

You all know that Mr. Benson tried to make it appear that it cost nearly \$20 billion to support the price of our commodities for 10 years. When he got under his oath where the prejury law would get him he came out that it cost \$1 billion in 20 years, or the sum of \$55 million a year. That is what he understood his oath had to come out with. The man that said \$20 billion all over America. Now \$55 million seems like a lot of money but when you are appropriating \$70 billion a year and donating \$10 billion down to \$4.5 billion abroad, \$55 million will serve to relieve the cotton farmers and the farmers of America of that charge that we are bankrupting the Government.

The Government may be bankrupt, but it is not the \$55 million a year that is doing it, as you well know.

Gentleman, in 1952 a candidate for President of the United States, Ike Eisenhower, spoke on our statehouse steps right over there. I don't pretend to tell you what the President said in Dakota or Minnesota. I read about it. I heard with my own ears. He spoke of his attitude toward the farming situation. These are his words, not part of what he said. He said:

"There are no ifs, ands, or buts about it. I am for 90-percent parity for our farmers, and more too, if necessary, to give them their just share of our national income."

Those are his words. And the saddest thing of my life, gentleman, except I was sending our boys to Korea, but with that exception the saddest thing is to see a fine man like Ike Eisenhower, a man I put up \$750 to elect—

Mr. President, let me add that I do not think he ever sent it back, either—I want to say, Senator, I didn't do that following James F. Byrnes, as fine a man as

lived, I put it up before I knew how Byrnes was going to be. I didn't put it up because Eisenhower made that speech, gentlemen. That was made long after I put it up. But I went home and said to the boys, "Ike is not only going to be elected, he is going to be favorable to us farmers."

Think about as good a man as Eisenhower is, we all know he is a good man, his political enemies would say that, would let Ezra Taft Benson influence him to go back on his word made before 60,000 or 75,000 South Carolinians, gentlemen, it is almost unbelievable that it could have taken place. That is right, almost unbelievable. It is sad to me that a man with the love and esteem of Eisenhower would fall to follow Ezra to that degree.

I regret it most exceedingly.

Mr. President, at this time I desire to read a statement by another gentleman, Mr. B. F. Williamson, of Darlington, S. C.:

I am B. F. Williamson, farmer in Darlington County, farming being my sole occupation.

I farmed since 1924. A good deal of the ground has been covered and I know you haven't too much time left.

On the subject of a long-range program, I believe that we are entitled to 90 percent of price support where we effectively control production. I would like to have my income from farming come from the marketplace rather than through subsidy payments.

I think it works, where it is done with the right spirit, with the rick backing. I think you all have given some excellent laws for price-support programs and in some instances they worked well and in some the purpose has been defeated.

On cotton, much of the ground has been covered. One thing that hasn't been mentioned that I like and I think South Carolina farmers want is a continuous acreage-control program. Even in the years when we are short on supply and can grow all we want, we still want to grow that within the program. That way we will keep our history and know where we stand on it.

Now let me read the statement of another gentleman, Mr. Charles N. Plowden, a banker and farmer of Summerton, S. C.:

Senator, I will be as brief as possible, and highlight it. I am from a small rural county, lower South Carolina, Clarendon County. We have a small group of farmers there, a very small group, only a few large ones in the county. Our trouble has been caused by first a 90 percent of parity whereas I believe that if we were to maintain an average standard of living commensurate with other groups it should have been 100 percent. However, that 90 percent in the early days when the South and the Southwest had a great deal of the cotton acreage was much easier to get along with than 90 percent now on the small amount of acreage that we have since a great part of the cotton quota has shifted to California, Arizona, in New Mexico, and the Western States. We could gradually reach a place where we would have 90 percent of nothing and it would be nothing. That is one phase that has come about.

The next in our section has been because of the weather. The Government could not cause that. While many people sold cotton this year at 37 cents, we get 29½ to 30 cents, good cotton. Cottonseed was selling 3 years ago at \$70 to \$72. We are getting \$30 and have been getting \$30 during this season for cottonseed. Our seed has gone from \$70 to \$30.

However, in fairness I would say the last break in cottonseed came from 1942 which was the high for the year, to \$30 after the bad weather. So they tell us they graded off to that extent.

The next condition that came about was, as I say, reduced acreage, and that was with the parity applying that has hurt. We have many families who have a good many children that are unable to plant enough crops that if they made a full crop they couldn't pay their debts at the end of the year and survive. I want to touch on one phase of financing that affects them.

What would be the solution? I don't know except for this: If we are going to protect and keep prices up to 90 percent of parity in this country, when the Government makes a loan on oats or wheat or cotton this year, it is of little consequence to us if next year just when we go to gather they undermine you and sell to the grain mills, the textile mills, and everything, cotton 5, 10 cents lower than they can buy in the market.

For instance, 90 percent on 200 acres, if you are able to produce 200 acres of cotton you can have a better chance of surviving at 90 percent on the 200 than 90 percent on a hundred acres, say, if you are cut because you can reduce your cost of production as you produce more units. You have to have the same combine for so much work, same tractor power and same operators that you can reach maximum production and reduce your unit cost. That is where with the program we have been curtailed it has hurt. I operate a large farm of more than 1,000 acres. I have been able to get by, personally. The weather has caused us to take some terrible losses. I have had to subsidize that farm. We have 15 families, many of them born and raised there who we are trying to carry on until we can hit better times or something works out.

Now what is worrying me if you let me change to a country banker position, we have deposits of about a million and a half. There are only two banks in our entire county. The Farmers' Home Administration has done a wonderful work in Clarendon County. I think that they have done a wonderful work in the South generally. They have been able to finance people that our banks who are insured under FDIC cannot touch. We have to stay liquid. We can't tie up money. We have farmers coming right now begging me. I try to stay on the farm and leave it up to the cashier. I hate to face them, many of them begging us to lend them \$300 or \$600 on a tractor note or they will lose it. They financed it with a tractor company last year or year before. Those people have nowhere to go today. There is nowhere to turn. We can't handle them. Yet we are seeing many of them right now, that is why they need action, they are having to give up their farming operations. They are caught in the squeeze. They have no secondary or subsidiary income to help them.

Now, I noticed a statement from some of the agricultural officials several months ago that they should go out and get extra work. Well, if there is no industry around and no available work a man is helpless and that is the condition we have in lower South Carolina.

Now, we hear rumors, it is not an official rumor and I could not prove it, but I have heard rumors in the last few weeks that our office of the Farmers' Home Administration is going to be curtailed in their lending another year to the smaller farmers because they are too small to be a profitable farmer, so to speak. They are expendable and can be cast off. Our estimate is where they have been financing approximately 800 farm families, it is true some of them only have 5 acres and a good many are colored farmers that have their own little units and they are the ones with 8 and 10 children to support, and somebody has to feed them or take care of them.

If they leave the farm, where will they go? Right into the cities to your relief rolls. They are going to pile up. Crime will increase. Some of them argue you will lose something on these farm programs. You

may lose 5 or 10 percent, but that is the greatest insurance this country can ever pay to keep down communism and communist thinking because you have a father and mother with hungry children and they are liable to listen to any kind of preaching on any isms.

You may loan them \$500, cover them with a crop mortgage and chattel. They may bring back only \$450. You have kept them going and kept the economy as we know it in lower South Carolina moving along. If they are allowed to cut that from 800 families to approximately 200 families it is going to be a major disaster in our county. The program won't affect much of South Carolina or the Nation, but as to those individual families it will be a major disaster for those people.

Turning to the statement of another good farmer in South Carolina, formerly a State senator, Alfred Scarborough, Sumter, S. C.:

For several years the farmers of America have been pictured by some groups as living off of Government handouts, and always asking for more aid, assistance, and relief. Newspaper and magazine articles portray the farm program as costing the taxpayer billions of dollars. Many have been led to the false impression that the farmer is sitting back, drawing a large Government check each month, and living high. Nothing could be further removed from the truth. In the face of the recent announced increase of the cost of living figure, the farmer's income for the past year dropped 6 percent. The farmer's gross share of the consumer's agriculture dollar has dropped to the alarming figure of 41 cents.

The farmers asked for 90 percent parity, and that was 10 percent less than the justified 100 percent. It worked to produce a step nearer equity. Prices have always followed support levels. Now, with the flexible formula all prices have fallen to the new low levels. The farmers did not want a subsidy, but loans on a 90-percent parity basis to enable orderly handling and marketing of its products in the hands of both the individuals and the Government. It is presupposed as necessary to the program, putting controls on in such time and manner as to try to prevent surpluses. It also contemplated that strenuous effort be applied toward increasing of export sales, and orderly selling of accumulated Government holdings. An essential of the many-sided picture was utilization of any apparent surpluses by sales or gifts on the Marshall plan program and on the lunch programs. It was important to have an extensive research program in finding new uses and increasing consumption at home and abroad.

Agriculture has never wanted a direct subsidy, even though with the high protection afforded others it would be thoroughly justified. The losses on the agricultural program have been much less than the expenditure on other lines of endeavor by subsidy. I would like to have in your record what has recently been quoted from one of your fellow Senators, Senator SCOTT, of North Carolina.

"1. The Tariff Act of 1789 had been in effect more than 50 years, when in 1845 the Congress authorized special subsidies to steamship lines carrying overseas mail.

"2. Then a few years later the Federal Government—the taxpayers, if you please—started giving the railroads huge blocks of public land. This was the first incentive payment for expansion and production or service. Before this direct subsidy ended, the Federal Government had given away, to the transcontinental railroads more than 183 million acres of the taxpayers' land with a value in excess of a billion and a quarter dollars.

"3. In World War II, for example, the Reconstruction Finance Corporation paid, through direct subsidies, more than \$3 bil-

lion for the processing of such commodities as meat, petroleum, zinc, lead, copper, wood pulp, and nitrate of soda, to mention only a part of the list.

"4. The railroads are granted subsidy benefits of various forms, including low-interest-rate loans, special freight-rate concessions, and quick equipment-purchase tax amortizations.

"5. The aluminum producers of America alone received \$26 million from the RFC in direct subsidies, for reimbursement of so-called excessive-power costs they had paid.

"6. In setting up the subsidy pattern, the Government has not neglected the ocean shipping lines. This industry for a long time has been receiving a most substantial subsidy. In fact, it receives two direct subsidies. First of all, the Government pays up to 50 percent of the cost of constructing all major merchant marine ships and, this year alone, the ship-construction subsidy will cost the American taxpayers more than \$48 million. This is money the Government never hopes or expects to get back.

"7. In addition to its construction subsidy the shipping industry receives an operating subsidy which is costing the Government this year slightly more than \$100 million. This operating subsidy is to reimburse the shipping lines for the higher wages they pay American seamen, and at the same time keep them in a competitive position with foreign lines."

I would like to insert here, I wish it were possible for us to get 100 percent parity and even be able to pay our employees on the farm the equivalent of what other lines of industry get.

"8. The airlines also come in for a whack at the subsidy dollar. Last fiscal year they were paid at least \$56 million for carrying this country's mail. This was a liberal fee for services rendered. But, in addition, the airlines were handed \$73 million, as a direct subsidy, with no strings of any kind attached, plus the benefits of free use of Government airport installations, weather service, beacon lights, and other navigation aids which annually cost the taxpayers some \$75 million.

"9. Then, there is the Post Office Department. For many years the annual deficit of the Department has been considered a subsidy of a sort, particularly in view of the fact that some divisions of the Department pay their own way, or even produce a profit.

"10. In the fiscal year 1953, a typical year, the total postal deficit amounted to \$663 million. Of this total, the largest single item—\$230 million—was lost in second-class mail deficit represents a type of subsidy to newspapers, magazines, and other publications that depend upon the mail as a cheap method of distribution.

"11. Then there is the rapid tax write-off certificate subsidy that permits industry and big business to hold back from the United States Treasury billions of dollars of accrued income taxes and use this money, without payment of any interest, for a period of years. In many instances it even becomes an outright gift."

As of July 1 of this year, such tax certificates had been granted to the tune of slightly over \$31 billion with an effective tax writeoff, deferred payment or gift amounting to an excess of \$18 billion. Such Government expenditures in the fiscal years 1949 through 1955, inclusive, have totaled \$3,773 million for agriculture, and \$5,880 million for business. The figure for agriculture covers storage costs, spoilage, non-recoverable items because other expenditures under the agricultural program on recoverable direct subsidies made to business and industry almost 100 percent greater; however, are dead losses. Yes, subsidies in the world in which we live today have become just about universal.

These things have been cited to show the precedent for assistance and for the purpose of two deductions. One is the lack of justification of withdrawing the 90-percent parity and jeopardizing our agriculture and national economy as though agriculture's program would bankrupt the Nation, putting out justifiable propaganda. The loss to agriculture and to the purchasing power of our country and could have been prevented until necessary amendments to the act could have been made to the need of the respective commodity before such drastic changes in the present program.

But other costs are shooting up while farm prices go down, farmers now pay 72 percent more in interest on money owed on land. Taxes on farmland are 51 percent higher today than in base period. Farm wage rates have increased 20 percent following city wages up. Trucks, tractors, other farm motor vehicles have jumped 25 percent. Gasoline, oil, diesel fuel, and so forth, are 16 percent more expensive now.

Farm machinery has increased by 34 percent over the 1947-49 average. Building and fencing materials are up by 23 percent over base period. Farmers costs are still rising.

I have tried to show, from quoted figures, the lack of justification for any policy on the part of the administration being advocated that would bring the farmer down to the level of his present income in the midst of advancing prices to all other segments of the Nation's and that would apparently indicate an attempt to destroy agriculture's present program without having anything effective to offer in lieu thereof. I have also tried to indicate the actual seriousness from statistics of the farmer's present position in the national economy. It is our belief that the prosperity of the Nation is geared closely to the economic well-being of our farmers. These farmers constitute our tremendous market for the industrial output of our highly mechanized productive system.

When prosperity comes to the farmer it is reflected in business establishments all over the length and breadth of the land. It is apparent that we cannot treat the economic life of the farmer as an isolated factor to be viewed in and of itself. It must be considered in light of its relationship to our whole economy and that relationship is close and inseparable.

This is the thing in a nutshell. The program has been so handled as to bring disrepute upon it. This thing has many gadgets. It is a well-rounded picture like the solution to any of the problems. You have to see the whole picture. The fact is, it had to have the encouragement of exports, orderly marketing of domestic and foreign. They have had these surpluses. They missed Brazil sales and things of that kind. Red-tape. Similarly, in cotton. Likewise, it has to have a heavy amount of expense for research, new increased uses, new markets.

What I mean to imply is this: Something is needed and needed quickly. Why in the name of commonsense couldn't the administration have held to this program? Because under the 1948 act he was authorized to raise these things. He did it on wool, did it on sugar, could have done it under these things. Under an emergency he could have done it. My thought is that maybe you had better amend these laws and make them minimums and things in requisite, or make them mandatory.

I think, if this program can get back and we can get going, you will have time for amendments and make any change, not after the House is destroyed but while the fire is burning. The national welfare demands it. The last thing is this: Inconsistencies in administration. Your Japanese importations coming in. Bringing in European raw cotton to compete with American cotton because the American manufactured items are not sold and he can't buy our stuff, practically

paralyzing, throwing out 25,000 workers this fall from the textile industries and cutting down on our industry.

Vast inconsistencies. Absolute unwillingness to see moneys that are thrown away and the fallacy followed. The method indicates an attempt, almost a conspiracy to scuttle our program.

Mr. President, although the persons whose statements I have read were not all who appeared before the Committee on Agriculture and Forestry, the other witnesses who appeared before the committee testified along similar lines. Not one of the persons from South Carolina, to whose testimony I have referred, said he did not want 90 percent of parity. Every one of them said he wanted 90 percent of parity, or more.

The statements I have read show something else, too. They show that the farmers are keeping up with what is going on in the Nation. They see how they are being made to lag behind while we are pushing forward all other segments of our economy in America. Therefore it is time for us to do everything within our power to help the farmers of the Nation.

Mr. President, I believe these facts and this testimony speak for themselves.

The major points are these:

First. The farmers' incomes are in terrible condition, and reports issued just yesterday show they are getting worse.

Second. The farmers want an immediate return to 90 percent of parity, and are willing to accept rigid controls with this parity.

Third. The farmers were given promises by the present administration of 90 percent and 100 percent of parity. These promises of 1952 were broken, and as a result the farmers as a whole have no trust in any promises the administration may make in 1956.

Fourth. We in the Senate should take the idle promises of the administration in 1952 as a lesson well learned and write our own bill, and in that way keep faith with the farmers, and not be blackjacked into going along with Mr. Benson's program of let-downism.

Fifth. We should pass 90-percent price supports despite the threats of the administration.

It is a standing joke on Capitol Hill that the reason Mr. Eisenhower decided to run again is that after staying at Gettysburg for a while and visiting Mr. Humphrey's farm in Georgia he knew that so long as Mr. Benson was Secretary of Agriculture, he could not make a living at farming.

Well, with me and the farmers of my State, it is not a joke. It is the awful truth.

Mr. President, I for one am not going to be bullied around by the administration, the National Farm Bureau, or any of the pressure groups who no more represent the little farmers of the Nation than does some man from outer space.

Mr. President, I hope that every Member of the Senate will closely read the testimony of the farmers in their respective States, as I have done, and follow their advice and thinking. If we all were to do that I know we would pass 90 percent of parity with little difficulty.

Mr. President, if we neglect to provide 90 percent of parity, every Member of the Senate who votes against 90 percent of parity will have on his hands the bankruptcy of every farmer who fails in the coming year or years and winds up on relief and wandering the city streets. That will happen.

Mr. President, unless we exchange Mr. Benson's sliding-parity schedules for rigid 90-percent supports, this Nation will not long have need for the so-called soil-bank program, for it will not be long before the banks will own all the soil.

Surely in the past few years we have learned enough from actions of the Republican administration to know better than to depend on anything it promises the farmers.

Surely we remember that it promised to keep, and then after election day knocked out, 90-percent supports. Surely we know the administration has preached easier credit and practiced tighter credit for the farmers. Surely we have not forgotten the great soil conservationist Eisenhower and how he O. K.'d Mr. Benson's plan to choke the conservation program by cutting off funds. Surely we know that sliding incomes have resulted from sliding parity.

Mr. President, if we do not pass a decent farm bill that contains 90 percent of parity and rigid controls, I would not blame the good farmers of America if they marched on the Capitol. Likewise, should Mr. Eisenhower veto a bill because it contains 90 percent supports, I would not blame the farmers if they similarly marched on the White House. In fact, I would be tempted to help them.

There is little choice for us in the Senate when the pending bill comes up for passage. Either we approve 90 percent of parity in order to save the farmers of today or we sign the death warrant of thousands of little farmers all over the Nation.

Mr. President, there is no poll, no official, no Secretary of Agriculture, no expert alive in America today that knows better what is best for the farmers of this Nation than the farmers themselves. Let us today sober our judgment of the situation before we vote, using the testimony of thousands of farmers, such as that which I have quoted today.

Mr. President, in closing, I ask unanimous consent to have printed at this point in the RECORD a resolution adopted by the Orangeburg County Farm Bureau, which has a membership of more than 1,500 families. It is signed by the president, Mr. F. Mitchell Ott.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION FOR 90 PERCENT PARITY

Whereas the economic position of the Orangeburg County farmers is in jeopardy as a result of continuously falling farm prices and increasing farm costs; and

Whereas the Department of Agriculture is predicting even further price declines and increased costs in 1956; and

Whereas the sliding scale of farm price supports holds no promise of correcting the situation; and

Whereas that the so-called modern parity formula will tend to lower parity prices on most basic crops: Be it therefore

Resolved, That we, the farmers here in Orangeburg, S. C., strongly recommend support prices to be restored to parity on all basic crops and that the so-called modern parity formula be discarded: Be it further

Resolved, That we support a minimum 90 percent of parity price-support program for any basic commodity when an acreage allotment and marketing quota program is in effect on that commodity.

RESOLUTION FOR SOIL BANK ACT

Be it resolved, That soil-bank plan as proposed in the present Congress gives little promise of fair prices, and must not be accepted as of much help as to prices this year but only as a long-term measure.

Whereas we favor the development of a sound soil fertility bank program as a supplement to, and not as a substitute for, present farm programs.

RESOLUTION FOR IMPORTS

Resolved, That this assembled group of farmers go on record in opposition to any importation of farm products that are being produced in surplus in the United States.

Whereas we oppose changing basis for support price on cotton from $\frac{3}{8}$ -inch middling to 1-inch middling. We support $\frac{3}{8}$ -inch middling as basis.

Whereas we recommend the establishment of lower grades than presently provided for cotton eligible for price supports. We also urge price support commensurate with grade be given on all split grades of cotton.

RESOLUTION FOR EXPANDED SCHOOL LUNCH

Whereas the health of our young people of these great United States should be of paramount concern; and

Whereas the surpluses of our country merit the consideration of a stamp plan to get surplus commodities into the hands of the needy, underprivileged, and tax-supported institutions, such as mental hospitals, schools for the blind, and the like: Now, therefore, be it

Resolved, That we urge immediate adoption of a stamp plan for increasing the amount of surplus commodities for use of our school-lunch program, to the needy, aged, and the underprivileged when in tax-supported institutions.

We urge you to do all in your power to get legislation passed before planting time of our basic crops in the South.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, briefly I should like to discuss the farm bill as it came from the committee, discuss its particular application to the corn belt, and also to discuss for a few minutes an amendment which I have submitted along with the Senator from Vermont [Mr. AIKEN], my colleague from Iowa [Mr. MARTIN], the Senator from Illinois [Mr. DIRKSEN], and the

Senators from Indiana [Mr. JENNER and Mr. CAPEHART].

Mr. President, as reported by the committee, Senate bill 3183 would drastically limit participation of the commercial corn area in the proposed soil bank program, which includes the acreage reserve and the conservation reserve.

In its present form, the bill fails to meet the need of the Midwest livestock-feed economy by failing to recognize the fundamental fact that there is an important difference between corn and the other so-called basic commodities.

Corn is produced primarily for the purpose of feeding livestock. On the average, an estimated 85 percent of the total crop is used as feed—largely on the farms where it is produced. Thus, the average corn farmer gets his cash returns from the sale of livestock, poultry, and dairy products, and not from the sale of corn.

I say "average." There is a very small percentage of corn actually sold on the open market, but in the end very little of it goes into any kind of commercial use, except for feed. The overwhelming bulk of it goes into feed for livestock and poultry.

Marketing quotas never have been applied to corn because no one has been able to figure out how to enforce quotas on a feed crop that is largely consumed on farms. Congress recognized two years ago that quotas would not work on corn by repealing the authority for corn quotas when it enacted the Agricultural Act of 1954.

I may say parenthetically that for approximately 20 years efforts were made to figure out a way to make quotas work with reference to corn, which is a crop consumed almost entirely by animals, but no one was able to figure out a way successfully to apply quotas to corn.

Acreage allotments have been in effect in the corn area for the last 2 years, but compliance has been low. This is understandable when we look first at the fact that corn is produced primarily for feed and second at the fact that the reduction of corn acreage in the commercial corn area would merely mean the surrender of corn's traditional livestock feed market to other areas and other commodities. Even the farmers who do comply with their allotments in order to qualify for price support often have to buy "free" corn from their neighbors to replace the corn they have placed under loan.

While asking commercial area corn producers to reduce corn acreage, the Government has permitted the unlimited expansion of competitive feed production on land which has been forced out of cotton, wheat, peanuts, rice, and tobacco production under marketing quota programs.

The counties which were in the commercial area in 1953 planted, in 1955, 56,342,000 acres to corn.

In 1955, when the commercial area allotment was 49,843,000 acres, com-

mercial area plantings were 56,047,000 acres. For 1956, a somewhat enlarged commercial area has been allotted only 43,281,000 acres. This means an average cut of 15 percent from 1955 allotments for counties that were in the commercial area last year, and a cut of 24 percent from the acreage which was actually grown in the present commercial area last year.

Mr. President, I may say, and I must continue to emphasize that, regardless of what the allotments under the law may be for the purpose of price supports, which, as has been pointed out, were in 1955, 49 million acres, nevertheless, in excess of 56 million acres were actually planted in the commercial corn area, and that figure sticks, year in and year out.

The commercial area producers who have been cooperating with the program in the main producing areas have seen their efforts to make the program work largely offset by increased acreage of other areas both within and outside the commercial area. Iowa, Minnesota, and Nebraska reduced their corn plantings by 1,232,000 acres from 1953 to 1954. At the same time, 7 other Corn Belt States increased plantings by a total of 1,201,000 acres, and 21 minor corn-producing States increased plantings by a total of 1,091,000 acres.

Iowa, Illinois, and Nebraska reduced corn plantings 1,150,000 acres from 1953 to 1955, while 7 other Corn Belt States increased corn plantings 1,519,000 acres and 15 minor corn-producing States increased plantings 921,000 acres. California alone increased corn acreage 110 percent from 1953 to 1954 and 233 percent from 1953 and 1955. California also has increased her corn yields from 36 bushels per acre on the average in 1953 to 48 bushels per acre in 1954 and 56 bushels per acre in 1955. Most of California's increased acreage came on irrigated land diverted from cotton production. As a result, corn production in California increased 181 percent from 1953 to 1954 and 418 percent from 1953 to 1955. I do not mention this to criticize California farmers in anyway. Instead, I state these as facts that farmers in the commercial corn area and livestock producers and feeders everywhere have to recognize.

Mr. President, I have before me a table which sets forth the shifts in corn acreage from 1953 to 1955 in selected major and minor corn-producing States. I shall not burden Senators with a reading of the statistics for each State. The table verifies the general conclusions and statements I have just made. I ask unanimous consent that the table may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection? The Chair hears none, and it is so ordered.

The table is as follows:

Shifts in corn acreage from 1953 to 1955 in selected major and minor corn-producing States

[Thousands of acres]

State	Counties in commercial area, 1955	Planted acres		Net change	Percentage change
		1953	1955		
Major corn-producing States reducing acreage:					
Iowa.....	99 (all counties).....	11, 213	10, 799	-414	-3.7
Illinois.....	101 out of 102.....	9, 377	9, 366	-11	-0.1
Nebraska.....	61 out of 93.....	7, 434	6, 709	-725	-9.8
Total.....		28, 024	26, 874	-1, 150	-4.1
Corn belt States not reducing acreage:					
Minnesota.....	58 out of 87.....	5, 706	5, 850	+144	+2.5
Indiana.....	89 out of 92.....	4, 712	4, 941	+229	+4.9
Missouri.....	69 out of 115.....	4, 113	4, 291	+178	+4.3
South Dakota.....	32 out of 69.....	3, 982	4, 224	+242	+6.1
Ohio.....	68 out of 88.....	3, 545	3, 788	+243	+6.9
Wisconsin.....	36 out of 71.....	2, 563	2, 842	+279	+10.9
Michigan.....	29 out of 83.....	1, 768	1, 972	+204	+11.5
Total.....		26, 389	27, 908	+1, 519	+5.8
Minor corn-producing States increasing acreage:					
Texas.....	None.....	2, 102	2, 194	+92	+4.4
North Dakota.....	1 out of 53.....	1, 150	1, 404	+254	+22.1
New York.....	None.....	669	703	+39	+5.8
Louisiana.....	do.....	591	638	+47	+8.0
Maryland.....	14 out of 24.....	455	470	+15	+3.3
Colorado.....	None.....	422	553	+131	+31.0
California.....	do.....	76	253	+177	+232.3
New Jersey.....	7 out of 21.....	191	207	+16	+8.4
Montana.....	None.....	170	215	+45	+26.5
Wyoming.....	do.....	56	74	+18	+32.1
Idaho.....	do.....	50	61	+11	+22.0
Pennsylvania.....	30 out of 67.....	1, 372	1, 400	+28	+2.0
Arizona.....	None.....	35	51	+16	+45.7
Washington.....	do.....	21	37	+16	+76.2
Oregon.....	do.....	24	40	+16	+66.7
Total.....		7, 384	8, 305	+921	+12.5

Mr. HICKENLOOPER. Mr. President, the production of oats, barley, and grain sorghums on so-called diverted acres is, at the moment, an even more serious threat to the livestock economy of the commercial corn area than is the expansion of corn production in other areas.

From 1953 to 1955 approximately 17 million acres of land have been taken out of wheat and cotton and shifted into the production of other crops, mainly oats, barley, and grain sorghums. The United States Department of Agriculture estimates that, in terms of feeding value equivalent to corn, the production in 1954 and 1955 on the diverted acres of oats, barley, and grain sorghums amounts to over 800 million bushels. Livestock producers mainly outside the commercial corn area have been using oats, barley, and grain sorghums in place of corn as feed. Thus corn stocks have skyrocketed to the highest point in history.

As I have indicated previously, the formula in the production-adjustment laws for determining the acreage of corn has forced allotments down from approximately 57 million planted acres to approximately 50 million acres in 1955, and now for 1956 down to only approximately 43 million acres. Congress has permitted wheat and cotton growers to obtain the benefits of price support and still at the same time to shift their problems to the regular feed-grain producers. Not only has this been unfair to producers in the Corn Belt, but it has also been unfair to the traditional producers of oats, barley, and grain sorghums. Regular corn farmers have contributed very little to the problem, since most of them have disregarded price supports and have continued to plant

what was economically sound on their own farms and have taken their chances on what the free market would pay them for their corn. As a matter of fact, about 60 percent of the corn produced last year throughout the entire Corn Belt was produced without regard to price support.

By way of comparison, the 1955 corn program called for a reduction of 6.5 million acres from 1953 plantings in the commercial area. Yields are somewhat above the United States average in the commercial area; but if commercial area corn producers had complied with their corn allotments 100 percent, the effects of the corn program on total feed grain supply clearly would have been offset by the increased production of feed grains on land diverted from crops under marketing controls plus the additional oats, barley, and grain sorghums that undoubtedly would have been produced on land diverted from corn.

Corn producers also have been operating under the constant threat that surplus wheat would be dumped into the feed market to offset any adjustment that may be made in corn production. Even now, when feed grain supplies are at an all-time high, proposals are being made that wheat be dumped into the corn market either through CCC sales or through the adoption of a multiple-price program for wheat.

The large stocks of livestock feed that have been accumulated under past Government programs are, to a great extent, responsible for the present depressed prices of cattle and hogs. Despite the present unsatisfactory level of cattle and hog prices, the availability of large supplies of feed grain produced on diverted acres is resulting in a further expansion of livestock production in some noncom-

mercial corn areas. For example, the December 1955 report on farmers' intentions for spring farrowings indicated a 2-percent reduction in spring pig production for the United States as a whole in 1956. The same report, however, indicated that farrowings in 11 south central States will be 11 percent larger this spring than a year earlier. These States are largely outside the commercial corn area and therefore are largely free from corn allotments. Incidentally, in these same States, corn production increased 57 percent in terms of bushels from 1954 to 1955.

In the face of the critical situation which rising feed supplies are creating for livestock, poultry, and dairy producers, S. 3183 contains provisions which will drastically limit participation in the soil bank program in the commercial corn area. Section 215 provides that no person shall be eligible for payments under the soil bank program with respect to any farm for any year in which the acreage of any basic agricultural commodity other than wheat on the farm exceeds the farm acreage allotment under Title III of the Agricultural Adjustment Act of 1938 as amended, or the wheat acreage on the farm exceeds the larger of the farm wheat acreage under such Title or 15 acres.

Corn producers overplanted their 1955 allotments at an average of 12 percent in 1955. In view of the low level of corn and livestock prices that has prevailed in recent months, it is to be anticipated that more farmers would be willing to reduce acreage to the level of their 1955 allotments this year. It is completely unrealistic, however, to expect any widespread compliance with allotments which are being cut 15 percent from 1955 allotments and an average of 24 percent from the acreage actually grown in 1955.

Yet, if we are going to make any real progress toward adjusting our total agricultural plant to effective market demand, and if we are going to bring about desirable improvements in cattle and hog prices, something must be done about our present excessive supply of feed grain.

We have, in the soil bank idea, a means whereby an effective program can be developed for corn. Since corn is not a marketing quota crop, it should be allowed to participate in the proposed acreage reserve program on a different basis than the marketing quota crops. We should start from where we are and give the corn producers a program which can be expected to work.

To have a workable program for the livestock-feed economy, we need legislative action that will provide:

First. An effective substitute in 1956 for the presently ineffective corn allotment program. The distinguished senior Senator from Florida [Mr. HOLLAND] has offered an amendment which will get at the diverted acre problem generally and provide a satisfactory substitute for corn allotments in 1956. I shall support his amendment.

Second. The opportunity for corn producers to vote in a referendum as to whether they prefer to return to corn

allotments in 1957 or whether they prefer to continue the type of program which would be operative in 1956. Several Senators from the Corn Belt are joining with me on a nonpartisan basis in proposing an amendment which will accomplish this purpose as well as those stated in points 3 and 4 below.

Third. A workable soil-bank program. In order to get participation in the Corn Belt—an objective in which all areas have a vital stake because of the impact of production there on the livestock-feed economy throughout the country—we need to have a realistic acreage base from which to start under the acreage reserve program. I think the facts I have presented in this statement most certainly prove this.

Fourth. A practical alternative program of cash of payment in kind which will facilitate using our present surpluses to implement the soil-bank program, and do so in a way which will contain safeguards against market price depressing effects.

Some question has been raised as to the equity of allowing corn producers to use their base allotments rather than their 1956 allotments for purposes of complying with the acreage reserve program. In this connection I should like to submit a table prepared by the United States Department of Agriculture.

Mr. President, this is a very important table. Bear in mind that, under the law, there are six basic commodities, excluding tobacco, because it is not in the program we are discussing, and is not eligible, for various reasons, to the formula under which we are operating.

I wish to point out that under the law as it exists a formula is prescribed for determining the number of acres for the ensuing crop year which should be planted to various basic crops, in order to maintain what is termed and defined as a normal supply, and the formula has to be announced by the Secretary by the first of February.

However, as to basics except corn there has been written into the law a floor below which the acreage cannot go.

For instance, the minimum acreage which, under the law, the Secretary is required to support for wheat is 55 million acres. If the formula which is applied to corn acreage were applied to wheat acreage, in determining the number of acres to be supported, the formula would provide for only 18,580,645 acres of wheat. The floor protects the wheat-grower at 55 million acres, or almost 36½ million acres more than are allotted to corn under the formula. But in the case of wheat the Secretary cannot go below the floor, which is set at 55 million acres.

For rice, the legal floor is 1,639,084 acres. Under the formula which is applicable to corn, there would be needed only 936,302 acres of rice to maintain a normal supply. The floor protects rice plantings to the extent of 702,782 excess acres in order to maintain what is called a normal supply.

With respect to upland cotton, the floor is 17,391,304 acres, and the Secretary cannot go below that. Under the

formula which applies to corn, there would be required only 6,690,195 acres of upland cotton for this year in order to maintain a normal supply of upland cotton.

With regard to extra long staple cotton, which is not moving at all, the minimum under the law is 45,305 acres. That class of cotton is not moving. I understand it is all in storage. There would be no acres in extra long staple cotton this year, if the same formula were applied to it that is applied to corn.

The floor for peanuts is 1,610,000 acres, below which the Secretary cannot go in his supports. Yet the formula

would give peanut growers 1,454,139 acres, or they have 155,861 excess acres. That is not badly out of line.

There is no floor below which the Secretary cannot go with regard to corn; there is no bottom. Therefore, in applying the formula for 1956, there would be 43,300,000 supported acres for corn in the supported corn area.

Mr. President, I ask unanimous consent that the table to which I have been referring be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1956 minimum allotments and what they would have been if no minimum was applicable¹

Date of determination	Commodity	Minimum under the law	Formula under the law (exclusive of minimum)	Excess acreage
June 1955.....	Wheat.....	55,000,000	18,580,645	36,419,355
December 1955.....	Rice.....	1,639,084	936,302	702,782
	Upland cotton.....	17,391,304	6,690,195	10,701,109
	Extra long staple cotton.....	45,305	None	45,305
	Peanuts.....	1,610,000	1,454,139	155,861
	Corn.....	None	43,300,000	None
Total excess acreage.....				47,979,112

NOTE.—Using 3-year average for Upland cotton (1952, 1953, and 1954) planted acreage yields allotment would have been 16,382,253. Using the 1954 planted acreage average yield, the allotment would have been 14,678,899.

¹ This is calculated on the basis of the facts at the time the allotments for 1956 were established.

Source: USDA Commodity Stabilization Service, Feb. 23, 1956.

Mr. HICKENLOOPER. Mr. President, the figures very clearly show the floors fixed in the law with respect to various commodities. In many ways I have not objected to the floors, because I realize thoroughly the economic problems in various areas. The floors fixed may be too large or they may be too small, but I know we must be realistic about these things for the various areas have their own economic problems.

I am only pointing out that there has been an unrealistic approach to the question so far as other basics are concerned, and that corn has not had the floor protection, but has been subject to the formula, with respect to acreage, as contained in the law.

As clearly shown in the table, for this crop year there must be supported, under the formula, 47,979,112 acres of basic crops in this country in excess of what the formula provides should be planted in order to maintain a normal supply.

I point out that at the bottom of the table which I have had printed in the RECORD there appears an explanatory note, together with the source of the information, which is the United States Department of Agriculture, under date of February 23, 1956.

Mr. President, it should be noted that minimum national allotments set by the Congress prevent the reduction in allotments for those crops comparable to those scheduled for corn producers in 1956. If 1956 allotments for cotton and wheat were set on a basis comparable to that provided by law for corn, and recently announced by the Secretary of Agriculture—as he had to do under the law—the allotments for cotton would be 6,690,195 acres, a further cut of 10,701,109 acres below the 1956 allotment, and the

allotment for wheat would be 18,580,645 acres, a further cut of 36,419,355 acres below the 1956 allotment.

I would not propose such a cut for these two crops. As I said, it would be an unrealistic reduction as a requirement for price supports, and it would make the soil bank unworkable for these crops. Yet, the bill before the Senate contains provisions with respect to corn that are as incredible as these cuts for cotton and wheat would be.

American agriculture needs a realistic livestock-feed program. I sincerely hope this Congress will provide it.

Mr. President, the amendments I have proposed, along with my Senate colleagues whom I named at the outset of my remarks, may appear to be rather complicated; but, in fact, they are not.

As the bill was reported by the Senate Committee on Agriculture and Forestry, the Corn Belt found itself in the following situation: with mandatory acreage allotments year by year; and with no floor to protect the corn farmers; and bearing in mind that last year, when the formula prescribed that only 49 million acres, roughly, could be supported, less than 50 percent, approximately, of the farmers of corn acreage in the commercial corn area accepted their allotments or were in compliance; in my own State, approximately 23 percent of the 1954 corn crop actually went to seal. In other States, the percentage was lower than that. The manifest reason for that, as is understood by anyone in the Corn Belt, is that corn is a feed crop, and the farmers have to have a certain amount of corn if they are to operate their plants; and if the acreage is cut too low, they will disregard the allotments, and will not be able to take advantage of

any loan or support, but will elect to go on the free market.

Under the formula for this year, the acreage is cut further to 43 million, in the case of the supported acres. Last year, with a 49 million acre support limit, we still had 56½ million acres, or about that many, in the commercial corn area. The year before, we had 56 million acres-plus. The year before, we had about the same acreage; there was comparatively little compliance—that is to say, less than 50 percent compliance in the 1954-55 crop years.

With this cut of approximately 15 percent more in the supported corn acres this year, there will be far less compliance. That is agreed to by everyone I know, regardless of his position on other phases of the pending bill. Every corn farmer I know will freely admit that a further reduction to 46 million acres of supported corn this year, will result in far less acceptance of corn allocations.

Mr. President, bear in mind that in order to participate in the soil bank, a farmer must be in compliance; and if substantially less than 50 percent of the farmers in the corn area are in compliance, then substantially less than 50 percent of the farmers will be eligible to participate in the soil bank, even if they elect to do so.

As the matter now stands, with greatly reduced acres, if they accept their allotments, they will not have any acres devoted to corn which they can put in the soil bank, or which they can retire from production, because at the 49 million acre level, they were running so low that they could hardly operate their plants, and many of them could not do so even with their previous acreage allocations.

The bill as reported from the Senate committee simply will not operate for the Corn Belt, and make it realistically possible for the corn farmers generally to participate in the soil bank and reduce the tillable acres.

That is why I have prepared these amendments, and that is why I offer them. I wish to state briefly what they mean.

At the outset, I said that when one considers the number of sections which the amendments propose to change, the amendments may appear a little complicated. But I shall point out, in more or less chronological order, what this amendment does—because it is really just one amendment. In the amendment, I propose that for the year 1956—this year—instead of having the so-called acreage allotments in the Corn Belt for corn acres, we substitute for it a farm-base acreage. Many persons will say, "That will increase corn production." Mr. President, it will not do that at all, because the farm-base acreage will be the average of the acreage which has been planted for the last several years, and that will be the base.

In order to be eligible for price supports in 1956, corn farmers in the commercial corn area must (1) stay within the farm-base acreage, and (2) must put into the soil bank an acreage of tillable cropland equal to 15 percent of their farm-base acreage.

Mr. President, bear in mind that in the case of cotton and in the case of wheat and in the case of peanuts, we do not require contributions to the soil bank. There is very good reason for that. I would favor compulsory contributions to the soil bank, except that the farmers who voted on the wheat quotas and the farmers who voted on the cotton quotas and the farmers who voted on the peanut quotas, for instance, did not consider the question of compulsory contributions to the soil bank; that question was not considered in connection with the votes they cast. Therefore, if at this time we were to attempt—after they have voted on their programs for this year—to change the rules of the game on them, that would not be fair; certainly we do not think it would be fair. I think the committee was unanimous in taking that view. In other words, one does not change the rules of baseball while a runner is between second base and third base.

For that reason, the program has been left on a voluntary basis, insofar as other crop areas are concerned. But in this case the corn farmers would be required to contribute to the soil bank program, in order to be eligible for price supports, and thereby would make a contribution of productive field-crop land to the soil bank, for which, of course, they would be adequately and properly compensated. But they would be required to make that contribution in order to be eligible for price supports.

I wish to refer specifically—because this is very important to all of us, and particularly to the farmers—to the provisions appearing on page 5 of my amendment. I propose to insert section 406, to read as follows:

SEC. 406. (a) Notwithstanding any other provision of law, and in lieu of corn acreage allotments for 1956 (which shall be inoperative for 1956)—

Let me say parenthetically, Mr. President, that we are attempting to substitute a farm base acreage for the so-called acreage allotment program—the Secretary shall require as a condition of eligibility for price support on corn, that the producer agree to devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn. The producer by electing to participate in the acreage reserve program, underplanting his farm base acreage for corn, and otherwise complying with the provisions of section 203 hereof, shall earn a payment under subtitle A of this title. The producer by electing to participate in the conservation reserve program and otherwise complying with the provisions of section 207 hereof shall earn a conservation reserve payment under subtitle B of this title.

A little later I shall explain how we arrive at the farm base acreage which will not increase the total acreage of corn produced under this program. This is what the provision means, and what I intend it to mean: It means that if a farmer's farm base acreage of corn, as shown by historic plantings, is roughly 100 acres, as the law now stands, before he could go into the soil bank or before he could get price supports, he

would have to cut that acreage this year down to 73 or 75 acres. He could plant his other crops as he pleased, or he could plant competing crops on the acres he reduced. He would not thereby be really reducing the total feed production supply of tillable acres.

Let us use the illustration that the historic average corn base on a certain farm, considering normal rotations and plantings, is 100 acres. Bear in mind that under the law as it now exists, and under the terms of the bill as it came to the Senate, before he would be eligible, his acreage would have to be cut down to somewhere around 73 or 75 acres. But he would receive that base.

However, in order to get price support on his corn, or just compensation, he would be required to contribute an amount equal to 15 percent of his farm base acreage, which would be 100 acres. He would have to contribute 15 acres of his tillable crop producing land into the soil bank. Such acreage would be retired and neither grazed nor cropped.

In that way we would obtain a reduction of the feed-producing acres and still leave the farmer free to plan. For example, under the provisions of this amendment, as I intend, he might elect to take 5 acres out of the cornland, or he could take 15 acres out of the cornland. He might take 5 acres out of corn, 5 acres out of beans, and 5 acres out of oats, so long as he took out 15 percent of 100 acres from his tillable acres. It would give him great latitude in the planning of his operations and in the conduct of his farm. It would not require him to take all those acres out of any one crop, and I think it would stabilize the agricultural program and the crop-reduction program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. AIKEN. Has the Senator made it clear that if the farmer has a 100-acre base for corn, he is required to put 15 acres in the soil bank?

Mr. HICKENLOOPER. Not of cornland alone.

Mr. AIKEN. I was getting to the method of payment. If he chooses to put in 5 acres of his cornland, he is paid for that on the basis of the acreage reserve payments. That is, he is paid for taking out 5 acres of corn.

Mr. HICKENLOOPER. The Senator is correct.

Mr. AIKEN. If he takes the other 10 acres out of oats, alfalfa, beans, or some other crop, under the conservation reserve program, he is paid somewhat less than he would receive if he took it all out of corn.

Mr. HICKENLOOPER. The Senator is correct.

Mr. AIKEN. I do not want the RECORD to show that he could take out clover or oats land and receive the same payment as though he took it out of corn.

Mr. HICKENLOOPER. I thank the Senator for reminding me. I have a note on the subject. The Senator is correct. A farmer might elect to take whatever amount he wanted to take out of his cornland, and he would be paid under the acreage reserve payment for

that acreage. If he elected to take none out of cornland, but took it out of other croplands which are not producing basic commodities, he would be paid under the conservation reserve program, according to the formula. There is a formula based on the general value of the land, and its value as productive acreage. But that would be under the conservation reserve program.

I also provide in this amendment for a referendum to be held by the Secretary before the 15th of December 1956, of corn farmers in the commercial corn area, to determine two things: First, whether they want to return to acreage allotments and mandatory price supports, such as would be the situation as the law now stands, or whether they want to have a program without acreage allotments and a price support at a level that would assist them in marketing their corn, but not at a level that would encourage the uneconomic production of corn.

Two-thirds of the farmers voting must favor the proposal before it goes into effect.

The fourth item was covered by the question of the Senator from Vermont [Mr. AIKEN]. Under that provision the corn farmers who underplant their corn farm base acreage will be eligible for payments under the acreage reserve subtitle of the soil-bank proposals. Second, corn farmers who elect to put other crop land in the soil bank will be eligible for payment under the conservation reserve if they make their contracts and agreements in accordance with the provisions of the law.

I think I have made it amply clear that the farmer has leeway and discretion as to whether he will take the 15 percent, or any part of it, out of his farm base acreage of corn, or whether he will take it out of other cropland which is competitive land producing soil-depleting feed crops.

Another item in the amendment provides for a workable payment to the farmer in cash, or in grain, for the diverted acres. In other words, for retiring his land into the soil bank a farmer may take his payment in the form of a certificate which he can cash anywhere. He can cash it at a bank or grocery store, or anywhere else, so long as it is eventually presented in due course.

Let me read the exact provisions of the amendment, so they will appear clearly in the RECORD at this point. So far as the payment is concerned, the provisions are as follows:

Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary—(1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any 1 year shall be limited to not more than two-thirds of

such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this act: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released.

Under this provision a farmer who complies—and under this amendment, so long as a farmer stays within his farm base acreage he could be in compliance—will not depress the market but will be able to acquire grain in return for the certificate which he has received in payment for his compliance.

In that way, the theory is, much of the grain on hand would be used to supplement the added grain the farmer would have used in his operations, and thereby the surplus would actually be used to reduce the surplus.

Under another provision of the amendment the Secretary is authorized to arrange the terms and the amounts of the payments for participation in the soil-bank program, so as to encourage producers to underplant their base acreage for more than 1 year.

A farmer may use the method of graduated payments, if he wishes, or such other method of inducements as will encourage him to underplant his base acreage for more than 1 year. The details will have to be left to regulation by the Department, but the mandate is in the amendment.

Some question has been raised about the probability that this provision may increase the corn acreage in the commercial corn area. It will not increase the corn acreage in the commercial corn area, because the supported acres will remain at the average of the acres planted in the commercial corn area for the years 1955, 1954, and 1953.

It is that average which would be used in the commercial corn area to establish the normal farm base acreage. That is what would be supported, and that is the total acreage which could be supported.

Anyone who overplanted his farm base acreage, as so established, would not be eligible for supports and would not be eligible to go into the soil bank program.

Mr. President, it adds up to this: As I said at the outset of my remarks, corn is in a peculiar position so far as the basic commodities are concerned. At least 85 percent of it is fed on the farm to animals. It is a feed crop. It is not generally a crop thrown on the market for other purposes than animal feed.

I should like to call attention to the fact that in 1953, for instance, there were no acreage allotments at all in the country. However, the acreage planted in the commercial corn area—and these facts are contained in my individual views in the report of the Committee on Agriculture and Forestry—in 1953 was 56,342,000. In 1954, with 46,996,000 acres in the commercial corn area under allotment there were still 56,861,000 acres of corn planted in the commercial corn area. In 1955, with 49,843,000 acres under allotment, there were still 56,047,000 acres of corn planted in the commercial corn area.

My prediction is that next year, regardless of what the formula or the allotment was this year, about 56 million-plus acres will be planted in the commercial corn area.

It is the nature of the corn and feed operations that that is about the number of acres which are planted year in and year out. That is shown by the records for recent years. I propose to be realistic about it, and extend a realistic support base program to those acres which have been consistently planted in the commercial corn area as needed for operations. I would extend a realistic support base program to those acres, but would make certain that we did not extend it beyond the average. The reason for using the average of 1953, 1954, and 1955 is to establish the corn base.

I again emphasize and point out to the Senate that in proposing the amendment I wish to show that the corn farmers are the only ones who are required to make a contribution to the soil bank. I explained a while ago that in committee we discussed this subject. We did not believe it was fair this year to compel the cottongrowers to contribute, or to compel the wheatgrowers to contribute, because they had had their elections based on a premise which did not include compulsory contributions.

As I said earlier, we did not believe it was fair to change the rules between 2d and 3d base. Therefore, during this year we would leave it on a voluntary contribution basis so far as they were concerned. However, cornrowers did not vote. Cornrowers did not have an election. I have discussed this subject with hundreds of corn farmers, and they are willing to go along, and they believe it should be mandatory that they make a reasonable contribution, on a sufficiently attractive basis, on which they would be fairly treated.

So far as the support prices are concerned, I call attention to the fact that as the situation now stands, if a farmer wishes to go into the program this year, under the bill as it was reported from the committee and under the law which now exists—taking the 100-acre base as the normal farm base—he would be cut probably below 75 acres. That is all he could plant.

If he produced corn on the 75 acres and obtained 50 bushels an acre, which is a fair production per acre—and it would work just as well if we assumed a production of 60 or 80 bushels per acre—he would produce 3,750 bushels of corn on the 75 acres. On a 90 percent mandatory support basis—which would be roughly \$1.50, taking the average all the way through—he would get a support price of \$5,625. That is what he would get if he sealed his corn and complied with his acreage allotment. We could use 73 or 74 acres, in this calculation but I am using 75 acres because it is easier to figure.

Under my amendment, if we establish the historic farm acreage base and assume that it is 100 acres, we may say that of the 100 acres the farmer would put 10 acres into the acreage reserve. That would leave him 90 acres to farm. If he wanted to go into the acreage reserve he could put 5, 10, or 15 acres into

corn, if he took 5 acres out of corn and 5 acres out of something else. Assuming 50 bushels to the acre, he would raise 4,500 bushels on that land; and the price support, which has been already announced and which will be maintained this year, I am assured, at 81 percent of parity, would give the farmer slightly over \$1.40 a bushel; but let us call it \$1.40 a bushel. He would receive as his support price \$6,330. That would be the ceiling price in his corn program.

In addition to that, for the 10 acres of 50-bushel an acre corn he took out of production and put into the acreage reserve, he would get \$350 at the acreage limit for those 10 acres; so that he would get \$6,330, plus \$350, which makes \$6,680, or \$1,000 more for taking out 10 acres of corn and 5 acres of some other crop. He would get \$1,000 more than if he went into this program and complied. Of course, Mr. President, 90 acres is 90 acres. But if he complied, he would have to cut down to about 73 acres.

In this way he has leeway, latitude, to program his farm, and, also, he must contribute to the soil bank and thereby cut down the total production of feed.

We hope that in other areas the voluntary program will work. I believe it will be attractive enough to induce millions of acres to come into the reserve, but I again wish to call attention to the fact that the corn farmers are willing to have a mandatory provision in the law that they shall make a contribution this year in order to be eligible for price supports on a realistic basis, on the historic farm-base acreage.

I shall further discuss my amendment, Mr. President, when it is called up for consideration by the Senate, within the limits of the unanimous-consent agreement. I presume there are Senators who will have questions to ask at that time. I request that they study the amendment, that they discuss it with the farmers of the Corn Belt, and familiarize themselves with it. I feel confident that whether a Senator comes from the Corn Belt, or from some other area, he will be convinced of the absolute equities of the amendment and of the benefits which it will afford in connection with a realistic overall reduction of the total supply of feeds without injuring any one crop, and thereby bringing the feed supplies and the animal supplies more nearly into balance.

I believe that upon reflection, examination, and study, there will be agreement that this is an equitable provision, one which makes it as realistic as is possible for the Corn Belt farmers to participate, without any undue advantage or any undue or unusual treatment of the Corn Belt farmers, except that the farmers are willing to contribute to the soil bank as one of the quid pro quos of being eligible on a realistic basis for price supports.

Mr. President, I apologize for taking so much of the time of the Senate this evening, but I did wish to discuss my amendment prior to beginning of the voting tomorrow. As I have stated, I shall discuss it again when the amendment is called up for action by the Senate.

Mr. FULBRIGHT. Mr. President, I have been following the debate on the pending measure very closely and with a great deal of interest, both on the floor of the Senate and in the CONGRESSIONAL RECORD.

Some of the facts which have been brought out in this debate cannot, in my estimation, be overemphasized. I do not suggest that the American farmer need be reminded again and again of his present economic condition; he is well aware of it.

A study of conditions shows that our farmers are in trouble, that our agricultural economy is sick, and when this segment of our economy is ailing, the effect will surely be felt by each and every one of us. For that reason, I think it is absolutely essential that during debate on the pending bill the American people be fully informed as to just how desperate the farmers' situation has become.

With that purpose in mind, I should like to review briefly some of the things which have occurred in our farm economy in recent years.

In 1952 the farmers' total net income, according to the figures of the Department of Agriculture, was \$14.9 billion. Since that time farm net income has been falling at an alarmingly rapid rate.

In 1953 farm net income had dropped to \$12.8 billion—a 14 percent decline in 1 year. In 1954 there was another 3 percent drop, which brought farm net income for that year to \$12.3 billion, and in 1955 net income of farmers had fallen to an estimated \$10.9 billion—a 28 percent decline in the 3-year period from 1952 through 1955. In actual dollars, farmers' net income in 1955 was the lowest it has been in the 13 years since 1942.

These facts are even more astounding when we compare what is happening to the farmers with what is happening to other parts of our economy. While the farmers' net income was dropping 28 percent in the 3-year period from 1952 through 1955, corporations' profits—after taxes—were up 39 percent. Income from dividends rose 36 percent. Rental income was up 32 percent; interest, 36 percent; business and professional proprietors' income increased 9 percent; employees wages, 20 percent; and weekly earnings of manufacturing workers went up 14 percent.

In only 1 year, from 1954 to 1955, corporations profits were up 20 percent. Profits of United States Steel were up 115 percent; of ALCOA, up 74 percent; of General Motors, up 49 percent. The average worker's income was up 7 percent. Stockholders' income rose 10 percent. But farmers' income was down 11 percent.

So, in a period when most of the people of our country are enjoying some degree of prosperity, there is a wide and growing gap between farm and non-farm income. In the year 1952 the per capita income of farm persons was \$949 and for nonfarm persons it was \$1,832—a difference of \$883. But an estimate for 1955 reveals that the per capita income of farm persons is down to \$896, and perhaps lower, while the per capita

income of nonfarm persons is up to \$1,960, a difference of \$1,064.

Also, in speaking of farm income, it is interesting to note that farm people make up nearly one-seventh—13.4 percent—of the national population; but income from farming is nowhere near one-seventh of the total national income. In 1952 the farmer received 8.7 percent of the national income, but in 1955 it is estimated that farmers received only 6 percent. Even in 1932, a depression year, farm income averaged 7.6 percent of the national income.

PARITY RATIO COMPARISONS

Mr. President, a recent publication released by the Department of Agriculture shows that the farm parity ratio in mid-January, 1956, stood at 80 percent, the lowest monthly ratio in any year since 1941. As a matter of fact, the parity ratio has been steadily declining over the past 3 years.

The parity ratio figure of 80 percent for mid-January of this year compared with a ratio of 104 percent in mid-January, 1952; 94 percent in mid-January, 1953; 92 percent in mid-January, 1954; and 86 percent in mid-January, 1955.

There has been a steady drop in prices received by farmers for farm products since 1952, as shown by Department of Agriculture statistics.

For example, corn prices are down 26 percent, rice 20 percent, oats 29 percent, butterfat 23 percent, cotton 12 percent, cottonseed 39 percent; in fact, average prices received by farmers for all farm products have fallen 19 percent, according to the commodity price index.

On the other hand, prices paid by farmers have risen steadily. Taxes were up 16 percent, interest 27 percent, farm machinery up 4 percent, building and fencing up 4 percent, motor supplies up 4 percent.

All these figures which I have presented may make dull reading, but they paint a graphic and realistic picture of why we have a farm problem.

The recently issued report of the Joint Committee on the Economic Report on the January 1956 Economic Report of the President contains some figures demonstrating what happened to our farm people in 1955.

I quote from page 17 of that report:

The record is clear. In 1955:

Income of the farm population from all sources fell \$1 billion, reaching the lowest level since 1945.

Gross income of farm operators from farming fell \$1.2 billion and net income declined by \$1.4 billion.

Farm wages fell \$46 million.

Total income from agricultural sources declined by \$1.4 billion.

Per capita income of the farm population fell from \$913 in 1954 to \$856 in 1955, the lowest level since 1950.

The index of all farm prices received by farmers fell from 249 in 1954 to 237 in 1955; at the end of 1955 the index stood at 223.

The parity ratio has declined steadily, from 100 in 1952 to 84 in 1955; at the end of 1955, it stood at 80, a 6-point decline since December 1954.

The index of feed grain prices fell 16 percent.

Prices of oil crops declined 17 percent.

Meat prices dropped 21 percent with hog prices falling by 38 percent.

Farm real-estate debt went up 10 percent.

Farm real-estate taxes rose by 5 percent.

Farm interest payments increased by 8 percent.

These data demonstrate that the administration's so-called attack on fundamental weaknesses in the farm economy has, in fact, operated against the farmer. The lack of an appropriate concern by top Cabinet officers for the distressed situation of agriculture is exemplified by the attitude of Secretary of the Treasury Humphrey. He stated that he regarded the fall in farm prices as "undesirable," but "not alarming."

Mr. President, I have four press releases relating to the question of farm indebtedness and interest rates which are consistent with that statement. I ask unanimous consent that they may be printed at this point in the RECORD.

There being no objection, the press releases were ordered to be printed in the RECORD, as follows:

FARM INDEBTEDNESS GETS BIGGER AND INTEREST RATES GET HIGHER

"Farmers in 1955 borrowed \$1.4 billion to help finance their farm operations from their 498 production credit associations. This was the largest for any year since these credit cooperatives began operation in 1933 and 1934," Harold A. Miles, Deputy Governor and Director of Short-Term Credit Service of the Farm Credit Administration stated today.

The \$653 million in loans outstanding on December 31, was also the largest amount outstanding for any year end since organization. (Press release, February 6, 1956, Farm Credit Administration.)

Farmers in 1955 obtained 61,000 farm-mortgage loans for a total of \$487 million from the 12 Federal land banks through the 1,100 national farm loan associations in the continental United States and Puerto Rico. This was an increase of 21 percent in number and 59 percent in amount of loans over the preceding year, and higher than any year except 1934, according to a statement made today by Thomas A. Maxwell, Deputy Governor and Director of the Land Bank Service, Farm Credit Administration.

Of the \$487 million, \$338 million was new money borrowed, an increase of 50 percent in the amount of new money compared with 1954. The remainder was balances on old loans farmers refinanced in their new loans. (Press release, January 23, 1956, Farm Credit Administration.)

"The needs for agricultural credit are increasing but lending is becoming more difficult," Governor [R. B. Tootell, Governor of the Farm Credit Administration] Tootell explained. "This situation arises from the fact that the prices farmers receive for their products and hence their incomes are falling at a time when the rest of the economy is booming and holding up the cost of most things that farmers buy. The accompanying tight money market is also causing higher interest rates on funds needed to finance agriculture," he continued. (Press release, January 17, 1956, Farm Credit Administration.)

New mortgage debt secured by farm real estate and recorded in the first half of 1955 totaled \$1.3 billion, 29 percent more than during the same period of 1954. This was the largest dollar volume for any 6-month period since records were started in 1934. The greater part of this increase resulted from a rise of 18 percent in the average size of farm-mortgage loans made but the number of loans made also was up by 9 percent. (Current Developments in the Farm Real Estate Market, July 1955, Agricultural Research Service, U. S. Department of Agriculture.)

Mr. FULBRIGHT. Mr. President, whenever and wherever our present farm problems are discussed, the blame is al-

ways placed on overproduction—on the so-called market-depressing surpluses. I have never subscribed to the theory that a surplus of agricultural commodities is inherently and necessarily bad.

In that connection, I should like to call attention to an article which appeared in the Washington Sunday Star of February 19, 1956. The article, written by Earl H. Voss, is entitled "Surpluses May Be Vital If Nuclear War Comes." The article presents these questions: "Are we wise in trying too hard to peddle our farm surpluses?" and "As a matter of fact, do we have any surplus at all?"

Mr. Voss attempts in the article to demonstrate how quickly our surpluses could be depleted in the event of an all-out nuclear war, or in the event of natural disasters resulting in crop failures.

I think the article is timely and should receive wide publication because of the questions raised and the problems presented regarding our farm surpluses. Certainly in this period of grave world tensions, the problems presented by the article should not be overlooked by Congress. For that reason I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SURPLUSES MAY BE VITAL IF NUCLEAR WAR COMES

(By Earl H. Voss)

Force yourself to imagine, for a ghastly few minutes, that the unthinkable has happened. The all-out nuclear war has begun. Almost immediately both sides could be expected to leap to a perilous conclusion:

Chemical and biological warfare are no more inhumane than H-bombs. The time would have come to shoot the works.

What would this mean?

Almost certainly it would mean contamination of our food supply. Grain fields in the Middle West would become battlefields. Government surplus stocks would become targets. Air bursts from guided missiles, from balloons, from Soviet bombers' droppings, deliberate dispersion of radioactive waste materials—all of these could contaminate our bread basket with a deadly poison.

America, the land of milk and honey and plenty could overnight be faced with starvation.

Which brings up more questions.

Are we wise in trying so hard to peddle our farm surplus? As a matter of fact, do we have any surplus at all?

How long would it take to deplete these huge, depressing surpluses overhanging the market in case of all-out war?

OUR STANDBY STOCKS

Here are some answers, supplied by the National Farmers Union and based on Agriculture Department statistics (American consumption and exports assumed to be the same as in 1952, the last year no surpluses were accumulated):

We have corn for only 3 months and 19 days—barely enough to keep the distribution pipeline filled.

We have enough wheat for 13 months and 11 days.

We have enough cotton for 13 months and 10 days.

Enough rice for 7 months and 8 days.

Enough butter for 1 month and 14 days.

Enough rye for 7 months and 25 days.

Enough barley for 4 months and 14 days.

Enough oats for 24 days.

Enough soybeans for 29 days.

The list goes on, but there is no important crop in which our surpluses exceed 14

months' supply. Of course, fallout with long-term persistence, like strontium or cesium, could contaminate our farmlands for many years.

Today, even the meager stocks we have on hand could be contaminated in the first days of an all-out war. We have made no preparations to protect them or anything else against radioactive fallout or chemical attack.

Despite these inadequacies of our food and fiber stocks for a nuclear-war situation, both Democratic and Republican administrations have sought to reduce them in two ways, by selling them or giving them away abroad, and by discouraging farm production.

TWO VOICES

At least two Democrats in the Senate are now awakening to the political as well as nonpolitical advantages in setting up a strategic reserve of food and fibers. They are Senators HUBERT H. HUMPHREY, of farm-State Minnesota, and HENRY M. JACKSON, of Washington.

Senator HUMPHREY has called on the Office of Defense Mobilization and the Department of Agriculture to say, "What level of reserves are necessary for defense purposes?"

There is an apparent inconsistency in the Nation's attitude toward food on the one hand and inedible strategic materials on the other.

"Here we are," Senator HUMPHREY points out, "putting \$6 billion into stockpiles of strategic minerals and other materials to make sure we have enough on hand in event of a defense emergency, building additional stockpiles of A-bombs, planes, and other weapons of warfare, yet the administration asks us to liquidate all of our food and fiber holdings without thinking about how we could even start to defend our Nation in event of such an emergency without assurance of ample food and fiber."

TWO SOLUTIONS

Generally, there are two main ideas about how to use our food surplus as a strategic reserve:

First, stockpile it in protected sites, dispersed in the vicinity of metropolitan areas most likely to be attacked in an all-out nuclear war.

Second, send some of the surplus abroad to our allies for similar stockpiling in case of war.

It has been suggested that the food and fiber raw materials might even be processed before they are stockpiled, put into individual rations ready for distribution. Big cities could be ringed with strategically located warehouses—underground. Stocks could be rotated, if necessary, to provide a permanent "safety reserve."

The advantages cited by proponents of the plan are these:

1. American strength in the "broken-back" phase of a nuclear war would be greatly increased; the Soviet Union, it will be remembered, has no comparable agricultural surpluses.

2. Our allies would be stiffened against Soviet intimidation and would have new evidence of the United States long-term interest in their survival.

3. Properly insulated from world and domestic markets in this manner, American surpluses would lose their depressive effects and farm prices might head back toward that 100 percent in the market place which President Eisenhower seeks.

Before any concrete action on these proposals is possible, however, two questions must be answered.

TWO QUESTIONS

First, what levels of supply should be maintained for emergencies, such as wars or famines? Second, what is a normal inventory of farm commodities—needed to keep the pipeline filled from farmer to consumer?

The Office of Defense Mobilization, which is now stockpiling strategic materials, works on the assumption that a 6-month supply of hard goods must be kept on hand. Shouldn't there be at least a comparable supply of foods and fibers?

Our meat supply, of course, depends on feed grains for the cattle, poultry, and hogs.

One prominent nuclear scientist familiar with fallout effects believes that:

"Food would be the most essential thing in case of nuclear attack. We should take advantage of our surpluses and produce balanced rations for storage in safe sites near metropolitan areas, so that our people will be assured of the most important item for our survival following an attack—uncontaminated food."

It is entirely conceivable, of course, that America's efficient farmers would soon produce enough to fill our strategic food reserve

requirements as well as those of our allies and soon begin piling up new surpluses. But until we have the security of adequate food reserves, there is room to wonder whether we are overemphasizing the present need for regulating production.

Nuclear war, of course, is not the only phenomenon which could threaten the American food supply. Famines and other natural disasters are still possible.

Mr. FULBRIGHT. Mr. President, I also ask unanimous consent that a table showing how long the present supply of CCC-owned stocks of agricultural commodities would last, based on 1952 consumption requirements, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

How long would supply last? Quantity of commodities pledged for CCC loans and owned by CCC as of Dec. 31, 1955¹

[All figures in thousands]

Commodity	Pledged for loans	Owned by CCC	Total quantity	Domestic disappearance plus gross exports 1952	Months and days present supply will last based on 1952 requirements
Corn.....bushels.....	180,159	757,612	937,771	² 3,152,920	3 months 19 days.
Cotton, upland.....bales.....	5,422	7,921	13,343	12,190	13 months 10 days.
Peanuts, farmers' stock.....pounds.....	290,746	6,033	296,779	² 607,449	5 months 28 days.
Rice.....hundredweight.....	12,115	15,387	27,502	46,103	7 months 8 days.
Tobacco.....pounds.....	1,053,976	231	1,054,207	2,043,012	6 months 3 days.
Wheat.....bushels.....	221,241	888,542	1,109,783	1,009,284	13 months 11 days.
Butter.....pounds.....		166,399	166,399	1,389,000	1 month 14 days.
Cheese.....do.....		333,002	333,002	1,227,000	3 months 9 days.
Milk, dried.....do.....		161,714	161,714	1,035,000	1 month 27 days.
Honey.....do.....	986		986	281,254	1 day.
Tung oil.....do.....		22,988	22,988	51,295	5 months 14 days.
Barley.....bushels.....	69,152	31,261	100,413	273,956	4 months 14 days.
Cottonseed meal.....pounds.....		53	53	5,290,000	None.
Cottonseed oil.....do.....		17,878	17,878	1,359,000	5 days.
Flaxseed.....bushels.....	6,685	438	7,123	35,465	2 months 13 days.
Grain sorghum.....hundredweight.....	43,483	26,452	69,935	188,357	4 months 16 days.
Linseed oil.....pounds.....		57,256	57,256	553,000	1 month 8 days.
Oats.....bushels.....	56,237	35,258	91,495	1,364,441	24 days.
Rye.....do.....	8,988	3,306	12,294	19,112	7 months 25 days.
Soybeans.....do.....	22,342	410	22,752	² 283,001	29 days.

¹ Figures from financial report of Commodity Credit Corporation, Dec. 31, 1955.

² 1951.

Mr. FULBRIGHT. Mr. President, in speaking of surpluses as a part of our farm problem, I should like also to call to the attention of the Senate an article by Mr. Walter Lippmann which appeared in yesterday's Washington Post and Times Herald. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TODAY AND TOMORROW

(By Walter Lippmann)

WHAT IS THE FARM PROBLEM?

In a preceding article I discussed the fallacy of supposing that the problem of the farm surpluses can be solved in any serious measure by dumping the surpluses abroad. We are left with the task of managing the farm problem at home.

Needless to say, I do not know how to solve the farm problem. I know just enough about it, however, to be reasonably certain that no solution of the problem is now in sight, and that the best we can hope for from the measures being debated in Congress is that the aggrieved farmers will get some degree of temporary relief.

It cannot do any harm, and it might possibly lead to something useful, to ask ourselves—as if we had just arrived from Mars—what it is that we are trying to do. It transpires, I believe, that we do not usually, if

ever, say directly what it is that we are trying to do.

What we are trying to do is to provide the farm population with incomes which keep pace with the incomes of the industrial population. It is now an accepted rule, which no public man disputes, that the income of farmers must not stand still, much less may it fall, in relation to industrial income. That is the meaning of what is called parity.

Now the fact is that during this century—at least since the First World War—farmers' incomes if left to themselves have tended to fall away from parity. To prevent this falling away from parity is the object of all the farm plans. They are at bottom of two kinds. One is to restore parity directly, the other is to restore it indirectly.

The direct way would be to vote the farmers a Federal subsidy to cover the deficit between the income they earn and the income which under the principle of parity they ought to receive.

A direct subsidy system would work out something like this. In the case of cotton, for example—where there is one of our largest and most stubborn surpluses—total market requirements, both domestic and foreign, would be estimated for the crop year. Farmers would be assigned production quotas in terms of bales. Cotton would be sold at market prices and would no longer be supported at noncompetitive levels. Subsidies would be paid directly to the farmer to make up the difference between the price he sells his cotton for and the amount he should receive to maintain his income in parity

with the economy as a whole. Production limitations would be compulsory for those farmers who elect to receive the subsidy.

This system would have many advantages over the present system. At prices which are competitive and meet the actual conditions of supply and demand, cotton sales could probably be increased. In any event they would not pile up in unused surpluses which are not only wasteful but by their very existence exert a depressing influence on cotton prices and markets. The cost of the subsidy to the Government and the taxpayer would probably be lower through the elimination of storage and insurance costs and a reduction in administrative expenses. And finally, what is perhaps most important, the long-run adjustment of production and consumption would be improved. For such a subsidy system would rely on market prices to allocate the farmers' productive efforts more realistically.

But the fact is, of course, that almost all farm plans rely on indirect devices for covering the deficits from parity. They use Federal money and the Federal regulating power to manipulate supply and demand in a rigidly protected domestic market; the aim of the manipulation is to create artificially high prices which will bring farmers' incomes up to parity.

Neither method is easy to administer in our kind of free society. For both involve massive interference by the Government in the affairs of the farmer. The direct method, that of outright payments to supplement incomes, might well be the easier and cheaper to administer. Yet almost certainly it would be the more unpopular. For it reveals quite baldly the fact that the operation is at bottom a subsidy by the Nation to a part of the Nation.

Our people do not like to pay or to be paid their subsidies openly. They prefer, having become used to them, the indirect forms of subsidy. Of these the tariff is the biggest example of all though not the only one. Practically all the farm plans are devices, like the tariff, for replacing the free and open market with an artificial market.

It seems to me that if the direct method is the easier to work effectively, we should not to be squeamish about recognizing openly the fact that it is national policy to subsidize agriculture. There is nothing to be ashamed of about that. The maintenance of a contented agricultural population is a national interest of the first order. That agriculture requires protection and help is a fact which cannot be doubted, and therefore it would be mere political prudery to try to hide the reality, which is that agriculture must be a protected and subsidized occupation.

Mr. FULBRIGHT. Mr. President, Mr. Lippmann, in his article, states that the problem with which we are now struggling is one of planning a workable way to provide our farm population with incomes which keep pace with the incomes of the industrial population. Mr. Lippmann goes on to say that there are two ways to achieve parity for agriculture—the direct and the indirect way. Almost all present farm plans, he correctly states, rely on the indirect method of making up deficits from parity—that is, the use of Federal money and Federal regulatory power to manipulate supply and demand in a rigidly protected domestic market, the aim being the creation of artificially high prices designed to bring farmers' incomes up to parity.

The alternative to the indirect method is one which I have advocated in the past, the payment of a direct subsidy, a Federal subsidy to farmers to cover

the deficit between the income they actually receive and the income which they should have under the parity principle.

Mr. Lippmann suggests that this direct method may be easier and cheaper to administer, but that it would be unpopular, because the people of this country do not like to be paid their subsidies openly.

I happen to agree with the idea that it is about time we stop kidding ourselves about the facts, stop being "squeamish," as the article states, about the fact that it is our national policy to subsidize agriculture. I, for one, have no qualms about admitting this, nor do I think we need apologize for it.

We subsidize shipping. We subsidize airlines. We subsidize magazines. We provide fast writeoffs for industry. We grant depletion allowances. We provide subsidies for research. Why should we be reluctant to admit that we must provide aids to agriculture?

Mr. Lippmann also, in the article to which I am referring, gives an example of the operation of the direct subsidy as it could be applied in the case of cotton. I was very much interested in this illustration, because, as some of my colleagues will remember, I introduced on January 23 of this year Senate bill 3008, which I felt was a possible solution to our cotton problem. I regret that this proposal was not favorably considered by the Committee on Agriculture and Forestry in connection with the farm bill presently before the Senate.

The example given by Mr. Lippmann in his article, is a good illustration of how my bill, S. 3008, would operate:

Total market requirements, both domestic and foreign, would be estimated for the crop year. Farmers would be assigned quotas in terms of bales. Cotton would be sold at market prices and would no longer be supported at noncompetitive levels. Subsidies would be paid directly to the farmer to make up the difference between the price he sells his cotton for and the amount he should receive to maintain his income in parity with the economy as a whole. Production limitations would be compulsory for those farmers who elect to receive the subsidies.

I agree with Mr. Lippmann that the plan presented by the bill would result in increased cotton sales, diminished surpluses, lower costs for storage, interest, and administration expenses. Also production and consumption would be more realistically aligned; and the income of the cotton farmer would reach a true parity level.

SOIL BANK

Mr. President, I wish now to discuss briefly the pending measure, particularly with reference to the soil-bank provision. If, as has been stated, the main purpose of the bill now before the Senate is to raise farm income immediately, I should like to ask how the soil-bank provision of the bill would achieve that result.

I understand that the acreage reserve provision of the soil bank would allow a cotton farmer, for instance, to participate in the soil bank by underplanting his allotted acreage. The portion of the allotted acreage which is not planted would be placed in the soil bank. For these acres placed in the bank the farmer

would receive a Government payment, based on the profit he would have received had he planted the acreage and harvested and marketed his crop. I am unable to see how such an arrangement will result in an increase in farm income, for, actually, the farmer merely arrives at the same destination over a different route. At the end of the year he ends up with approximately the same income, paid by the Government, which he would have received by planting his entire acreage allotment. His income is not increased, but is merely replaced by the Government at a tremendous cost to the taxpayers of the country. So, while the farmer of the country will be blamed for receiving a huge Government handout, he will not have bettered his economic position a bit. It may be true that in the long run the soil-bank provision of the bill will achieve the goal of reduced surpluses, but I fail to see how it can possibly result in immediate income increases to the farmer.

Mr. President, last spring the Committee on Banking and Currency held hearings on a study of the stock market. One of the reasons for those hearings was to draw the attention of the administration, the business community, and the people to the contrast between the serious condition of the farm economy and the remarkable boom in the stock market reflecting the profits of the industrial giants.

I am of the opinion that it is not simply the welfare of the farmers which is involved in the proposed legislation, but that the stability of our entire economy is threatened by a continued decline in the prices and income received by the farmers.

In my opinion, it is all important that a better bill and a better program be adopted by Congress at this session than the bill and program which are now under consideration.

Mr. HUMPHREY. Mr. President, in my discussion of the farm bill yesterday, I stated that I wished to proceed with a further discussion of some of the titles in the bill and with some amendments which I intend to propose and call up. I wish to call particular attention to a portion of the bill about which little has been said so far. Yet it is a significant and important section. I am referring to title VI, covering forestry provisions.

Timber farming is directly related to other agriculture in many of our States. The Forest Service is an important unit of our Department of Agriculture. Our Senate committee is designated as the Committee on Agriculture and Forestry. It is appropriate that we have further recognized that tie in this measure by including forestry provisions in our farm bill.

They are good provisions, and bipartisan provisions.

The forestry title includes section 601, providing assistance to States for tree planting and reforestation, and section 602, providing for price reporting on wood products and further marketing research.

I wish to make it clear that I am talking about price quotation reporting and not about price supports.

Section 601 has been taken from a bill introduced in the Senate by the distinguished Senator from Vermont [Mr. ARKEN], the senior minority member of the Committee on Agriculture and Forestry. It was my pleasure and privilege to move the addition of his bill to the omnibus farm bill. I think its provision are excellent. I support it wholeheartedly and feel he has made a constructive contribution in offering it. Section 602, providing price reporting and marketing research, was taken from a bill introduced last spring by myself.

The objective of section 601 is to step up, nationwide, the present rate of reforestation on all land in need of such planting, irrespective of ownership, by providing assistance to the States for tree planting. It would be accomplished through a cooperative plan of action between the individual States and the Secretary of Agriculture, originating in the States through the State foresters or equivalent State officials.

Section 602 would direct the Secretary of Agriculture to establish a price reporting service for basic forest products, such as standing timber, saw logs, and pulpwood, to conduct and stimulate research aimed at developing the efficiency of marketing forest products, and to study price trends and relationships for basic forest products and within 2 years report thereon to Congress.

Mr. President, this is a very moderate provision, long overdue for our timber farmers.

For years we have provided marketing guidance to farmers through gathering and publishing of agricultural prices paid at various market centers, first through the Bureau of Agricultural Economics and later through the Agricultural Marketing Service. Such service has never existed on wood products. There is no reason why timber farmers should not be provided with the same marketing information for their guidance.

I would suggest that any of my colleagues pick up the Wall Street Journal, or the financial section of any daily paper or business magazine, and run down the commodity-price quotations.

They will find prices reported on wheat, lead, cotton linters, hogs, hides, and even burlap bags. But they will not find a mention of pulpwood, saw logs, or any other primary forest products.

Yet pulpwood worth a half billion dollars is bought and sold every year, and sawlogs and rough lumber amounting to several times this figure change hands regularly. Is there any justification for producers of timber products being kept in the dark about current price trends?

I would like to quote from an article written by H. R. Josephson, in *Research in the Economics of Forestry*, edited by William A. Duerr and H. J. Vaux, and published by the Charles Lathrop Pack Forestry Foundation in Washington, D. C., in 1953. Mr. Josephson has this to say about the importance of current and past price information:

Widespread application of good forestry practices on private lands depends in large measure upon the profitability of growing and harvesting timber. It is evident that

profits in turn depend partly upon prices received for timber products. In spite of the importance of prices to forest owners and also to operators of wood-using plants, price information for timber products is generally not available in organized form. Sellers of small quantities of timber products are typically in an unsatisfactory bargaining position; numerous sellers, having little knowledge of timber values, must generally bargain with comparatively few purchasers, who are relatively well informed. * * *

Factual information on prices is of direct usefulness, also, to a variety of other parties engaged in producing, buying, selling, and using timber products. In addition, reliable data on prices are basic to the analysis of marketing problems, to research on such subjects as the economics of timber growing and to such public programs as price control.

We cannot preserve free enterprise and free market choice in this country without providing a more complete knowledge of market conditions. We have recognized that in agriculture. It is time we recognized it in forestry.

Current forest products price reporting has been carried on systematically only in Wisconsin, Illinois, Oregon, New Hampshire, and Georgia. I understand it has been discontinued under pressure in the latter State. These spotty efforts, even with recognized limitations, are the only body of information we have on forest product prices.

On the other hand, farmers and agricultural economists have had consistent price data for well over a half century, which has made possible a far clearer understanding of the farm economy than foresters have of their own sector.

My original bill for this purpose was co-sponsored by the junior Senator from Oregon [Mr. NEUBERGER] and the junior Senator from Alabama [Mr. SPARKMAN].

I am sure this measure will be a significant step forward in improving marketing of forest products throughout the country.

Mr. President, my suggestions for an improvement of this kind were first outlined in a public address at Grand Rapids, Minn., on October 17, 1954. That talk was entitled "Our Resources— and Your Future." Because this measure brings a step closer to realization the goals outlined in that address, I ask unanimous consent to have it inserted in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR RESOURCES AND YOUR FUTURE

(Address by Senator HUBERT H. HUMPHREY at northern Minnesota resources development rally, Grand Rapids, October 17, 1954)

It is a real pleasure for me to have the opportunity today to speak to my fellow Minnesotans in an area so economically important to all of Minnesota, yet an area confronted with many economic problems beyond any one man's control.

It is more of a pleasure to be talking about a subject close to my heart—conservation and development of our natural resources—because of my deep conviction that only in such an approach lies the answer to this area's economic future.

This part of Minnesota has made a great contribution to the past progress and economic development of our State.

It need not be relegated to the economic ash heap, just because riches have been taken away from it in the past.

It has a great future, a great potential yet unexploited.

Our problem is to make sure that potential is exploited wiser in the future than the past, exploited for the benefit of all the people, and for generations to come—rather than exploited solely for the private gain of a powerful few with little or no concern for the people who must remain to eke out an existence after the richness of our resource heritages are gone.

Minnesota is indeed a fortunate State in many ways, but especially in its natural resources.

In Minnesota, we have more than twice as much forest land owned by the people as in any other State in the Union.

We own 8 million acres of county and State forests—largely built up from the wreckage of the old logging days. In addition we have 3 million acres more in our 2 great national forests—the Chippewa and the Superior. Altogether, that's 11 million acres of timber in which you and I, as citizen-stockholders, each hold a share—2½ acres for every man, woman, and child in the State of Minnesota.

How many of us have ever stopped to realize the tremendous value of that possession? It's a valuable possession, which we must guard well, and manage wisely—both for our own generation and for those who will follow us.

We have greatly productive farming resources, too. Yet we must be just as concerned about conserving the productive capacity of our topsoil, so that future generations may share in the abundance of food and fiber we now enjoy as no other peoples of the world have ever known.

We have great recreational advantages and attractions, which are not only an economic asset but a contribution to a happier, healthier life for our people. Yet much of the economic value of our resort regions hinges upon preservation and propagation of our wildlife, and can quickly be wiped out unless we are vigilant and far-sighted.

Is it any wonder that as a Senator from Minnesota I am concerned about national policies concerning conservation and development of our natural resources?

Is it any wonder that I have been disturbed at growing national indications of a reversal of the Nation's 70-year-old policy for protecting our natural resources—a non-partisan policy for the public good?

All America must be awakened to the facts that exist. Without intending in any way to create a partisan issue out of something that should be the deep concern of all of us, I must regretfully report to you today that a devious campaign is underway against America's forests, waterpower, parks, public lands, and soil conservation program.

All the denials to the contrary do no good when you examine the record of the weakening to the pressures of selfish interests that have been going on in Washington. Every American conservationist is concerned—and should be concerned. The public's heritage is being raided, and the raiding has just begun. The handwriting on the wall of what lies ahead should be enough to awaken every American concerned about resource conservation.

I could devote my entire talk today to what is happening to America's conservation policies, and what some of us in the Congress of the United States have attempted to do toward stopping the unwise tide of exploitation.

But most conservationists now know that story.

Anyone reading any conservation publication, any sportsman's magazine, knows it. They know courageous and dedicated women like Mrs. Gifford Pinchot would not be concerned and alarmed unless there was just cause. They realize that Bernard DeVoto knows what he is talking about when he

writes in Harper's magazine that "conservation is down and on the way out." Every one of our major national conservation and sportsmen's groups have pleaded with Congress to halt its reckless trend away from the traditions of Teddy Roosevelt.

So I am not going to talk today just about what this Administration has done to endanger conservation in America, or what it has failed to do to protect our resources. Nor am I going to spend my time telling you of my own fight in behalf of sound conservation policies.

If you are interested enough in conservation to care about our resources, you probably followed the recent session of Congress closely enough to know why such publications as Sports Afield commended my vigorous fight for the public's interest. If you haven't paid any attention to what is happening, then you must be regarded as among those people letting it happen—to the detriment of our State and Nation.

What I want to do today is approach this problem from the constructive side, and talk about what we can and should do. I want to emphasize especially the stake of this area, in developing for itself forward looking objectives based on wise use of our resources.

More is at stake than just preservation of our forests and wildlife for future enjoyment.

It means dollars and cents—and another kind of sense—to this region.

Northern Minnesota's prosperity, outside of the mining areas, depends heavily on farming and recreation and forest products. I want to outline suggestions for improving conditions in all 3 today, and I want to encourage you to start thinking about suggestions of your own to send along to your elected public officials.

In this area, farming and recreation and forest products are far from unrelated. Instead, they go hand in hand.

Thousands of our farmers who produce milk, beef, or mutton must find work in the forests of the north during the long winter months, in order to make a decent standard of living. And the recreation trade of our sportsmen coming into this area add needed new sources of economic stability for the entire region, summer and winter.

My farm views should be well understood by now, after my vigorous battle in behalf of agriculture in the last session of the Senate. Agriculture is basic to our economy, and I feel keenly the dangers of letting the income of farm people totter to subsistence levels. I resent implications that little family farmers without substantial capital must just get out of business, if they can't stand the economic squeeze. Such an attitude completely ignores farming as a way of life, completely ignores the years of toil that go into clearing cutover land of stumps to turn it into pasture. And to those who so callously say we must get rid of marginal farmers, I ask what do you propose doing about marginal towns and communities that exist to serve those farmers? What do you do about the marginal businessman on rural Main Street, trying to make both ends meet? Are they being relegated to economic discard too?

I want something better for family farming areas of northern Minnesota. I want to see a decent chance of economic survival for families who work the land by choice and tradition, because they love the land. I want to see the American pattern of family farm ownership preserved, where Americans can be free and independent citizens, participating in their community—not peasant laborers on some corporation farm owned by absentee landlords with no concern about the churches and schools of your community, or the business houses on Main Street.

That's why I intend asking the new Congress, to restore dairy support prices to

at least 85 percent of parity—at least to a livable level, while we seek other outlets for our dairy abundance. That's why I intend pressing my fight to break down milk marketing barriers invoked by eastern milksheds against Midwest milk, and insist upon increased use of health-giving milk and butter and other dairy products in our Armed Forces and veterans hospitals.

That's why I intend pressing ahead on my proposals for food stamp plans offering dairy products as a supplement to the meager financial allowances now permitted to our aged needy, our widows and underprivileged children.

That's why I intend asking Congress to expand the Farmers Home Administration program of liberalized credit to small farm operators, and seek revision of existing regulations to better adapt availability of such loans to farmers having to work part-time in other vocations.

That's why I also intend seeking new credit provisions to enable young farmers to get a start on their own, to stay on the land worked by their fathers before them or strike out in new enterprises of their own.

But agriculture is so closely geared to timber in this region, we must go further toward a sound program for improvement of economic opportunities in timber farming, to assure economic stability of this area of Minnesota.

All of us are aware of the tremendous regrowth of our forests since the days when you could look out over miles of cutover stump land.

These new forests have come about through reforestation efforts of President Roosevelt's CCC programs, and through our improved fire-protection program which was greatly increased under the New Deal. And now these 19 million acres of Minnesota forest land are once more beginning to produce large quantities of timber for pulpwood, sawlogs, railroad ties, posts and poles, and a whole new wood cellulose industry which is just beginning to emerge.

We don't have the fine old stands of big white and Norway pine, but in their places balsam, spruce, jack pine, popple, and birch are emerging in abundance. And many young pine plantings are getting into thinning stages, ready to produce an intermediate crop of pulpwood.

Now is the time to examine what is going to happen to these resources. How they are controlled will determine how they are used, and who will benefit from them.

Our communities in northern Minnesota and our people are very heavily dependent upon an abundant forest production.

Work in the woods—logging and sawmilling—and our industries in the towns could not exist but for our newer concept of timber farming. Cash spent in the stores of our merchants by farmer-loggers during the long winter months spell prosperity. And our summer-tourist trade wouldn't be possible but for the attractions of our woods, lakes, and wildlife.

How well are we assuring continuation of such opportunities?

A sound conservation program is essential to the economy of this area—a program of reforestation, selective cutting, thinning, fire protection, insect and disease control, and all the other forest-management activities so much a part of our 1954 timber picture.

Within all of our memories, it hasn't always been so.

Few of us today remember the great fights that Teddy Roosevelt, Grover Cleveland, and Gifford Pinchot put up to save a small part of our great public forested domain in our national forest.

These great fights were continued by Franklin Roosevelt from Washington, and in our own State by Floyd B. Olson—to save a part of this great forest wealth for the people, from the plunderers and self-seekers.

For conservation not only means good management of our resources—it always has meant, and it means today—that a part of our forest, wildlife, water and soil resources belong to all of us—and not to a privileged few.

It's easy to understand how publicly owned forest are one of the great keystones to prosperity of northern Minnesota.

They are the guarantee that free and independent farmers will continue to have a source of timber for winter logging, which they can sell on the open market. It is private enterprise in the best tradition.

But I warn you today to guard your publicly owned forests carefully, for as your forest and mine grows more valuable through the years, special-interest groups will try to get control of them by fair means of foul—and thus deprive the local residents of the very forests upon which they depend.

Perhaps I need not remind you that I have in mind especially the so-called long-term timber bill which nearly slipped through the legislature a few years ago. And I also have in mind an action which the present administration in Washington almost slipped through the last session of Congress—all wrapped up in conservation language—which would have transferred special rights in your national forests to a few big stockmen and timber companies.

It was only by the combined efforts of outraged conservationists that your Superior and the Chippewa National Forests are not now being carved up into special estates for the privileged few.

Eternal vigilance is the watchword of liberty, and of conservation, too.

In recent years we have been fighting defensive skirmishes, to try and save our conservation programs and the resources owned by all the people from the special seekers with their well-paid lobbyists and smooth public-relations operators. Don't be fooled—these people are out for more than they already have—even though they are already wealthy from cashing in on America's resources in the past.

But we are through fighting rear-guard actions.

We're going on the offensive. We are going forward with a Democratic majority in Congress next year to build more effective and useful natural resource conservation programs than ever before. And we are going to make sure that these resources will benefit the people as a whole.

As a first step in that direction I call upon organized sportsmen and conservationists of Minnesota and the Nation to support my resolution providing for the creation of a Joint Committee on Natural Resources in the Congress, as a watchdog of the public interest on all resource legislation.

But that is only a start, to this area's specific needs.

We want and need an expansion of the timber industry, to meet the housing needs and other requirements of our rapidly growing population.

Here in Minnesota, we are beginning to grow more timber such as popple and balsam than we are now using. Industry—especially small industry—needs to be encouraged to explore these opportunities. For that reason I am exploring the possibilities of Federal guaranties of credit to make small capital loans available for businessmen and cooperatives, to make possible new wood-using plants for our northern communities.

Such new outlets are vital to your area. But we want mills and industries buying from independent producers of this area, such as the Grand Rapids mill, rather than vast industries supplying themselves from their own holdings and shutting out or forcing down prices to private producers.

But even with such expanded outlets the small logger needs to have a program helpful to him in the financing and marketing

of his winter's cut of timber. All of you know only too well how difficult it is to find markets and outlets for many grades and kinds of timber.

Market-price quotations on sawlogs, rough lumber, pulpwood, and other timber products are not to be found, but seem to be only on the possession of a few people.

A free market, in a free-enterprise system, can best be served and preserved with open market pricing.

As a member of the Senate Committee on Agriculture and Forestry, I intend to ask that the present price-reporting program for farm products be extended to include forest products, so that at least once a month you men who are in the timber business will at least know what the market situation is. I hope to obtain publication of parity prices on timber products, too, as a guidepost to you in your sales.

Furthermore, among my goals for next year is extension and widening of the farm-credit program to include credit for small loggers and marketing cooperatives, so that it will be easier to finance logging during the long winter months before the timber is sold.

These are some of my specific aims, to meet the problems I see confronting your area. All of them are tied in with broader conservation objectives to which I am dedicated—the preservation, protection, and improvement of all our State and National parks and forests; the expansion and speedup of our soil-conservation program; the adoption of sound land and water use policies, both National and State; more extensive propagation of fish and wildlife. All of these are objectives that must remain in the forefront for the future of this area.

Let me close on just one final suggestion. We need to conserve human resources, too—especially the youth of our land.

Conservation of resources is important only as it relates to people, and benefits the people, because it means conservation of our material welfare, and the prosperity of future generations under freedom.

It's time we thought about conservation in terms of today's youth, as well as today's natural resources.

Every day we read in the papers of many of our big cities about how the teen-age gang problem is growing more and more serious. Now, nobody will convince me such youths are inherently bad—they just haven't anything to do but get into trouble.

You never hear of that kind of gang problems among farm or small-town youngsters. They have chores and outdoor recreation which enables them to find all sorts of outlets, for their bursting energy.

Adverse economic conditions threaten to make this problem even more serious in our cities, as job opportunities for boys become more limited.

The truth is, big cities are just no place for young, energetic boys—especially when summertime comes.

During the worst of our depression years, President Roosevelt solved this problem with the CCC camps which conserved both our natural and human resources. Most of these boys who grew up into men in the CCC camps formed the toughest fighting army in the world.

Is it wrong to be thinking today about again looking for some way to turn American youth out-of-doors, to convert teen-age gang energy into hunting and fishing and healthful outdoor work?

I'm not suggesting revival of the CCC program, but I am suggesting the combination of teen-age problems in major cities and growing pressures of unemployment may make it wise for all of us to be thinking in terms of finding some way to provide the character-building and health-building influences of outdoor work and recreation for America's youth—even if it is no more than getting city youngsters out on the farms

where they would be under the influence of our good farm families for a summer.

Some such outdoor program could give many American youths who never had a chance a real opportunity to develop a set of values firmly grounded in an appreciation of the beauty of the forest, the magnificence of a lake at sunset, the music of a waterfall, and the tingling thrill that comes with the whirl of partridge wings along a logging road.

And for city youths to be able to tell the difference between wheat and oats, or a Holstein from a whiteface, and to be able to run a tractor instead of a hotrod, are all important goals in the building of future American citizens who have an understanding of what our country really means.

I leave you with that thought as a challenge, and invite your own suggestions as to how it can best be achieved.

Mr. HUMPHREY. Mr. President, I wish to comment briefly on the forestry sections of the bill, because I have long believed that a greater effort needs to be made in our reforestation program and, in general, toward better marketing and marketing conditions for forest products.

I warn the Senate that one of these lobbies is at work again. This time it is the lumbermen's lobby that wants to strike the sections from the bill. Report after report reaches my office to the effect that there is a concerted drive under way by the large timber interests to strike both sections 601 and 602 from the bill. Why, I cannot imagine. Why any timber lobby would want to restrain, restrict, and limit more reforestation is beyond me. But they do, and I am beginning to get telegrams from people who have heard this report.

I have in my hand, for example, a telegram from the chairman of the Minnesota Emergency Conservation Committee, Mr. Charles L. Horn, one of the great conservationists of America, and one of the most able and efficient business managers of this Nation. He is the president of the Federal Cartridge Corp., and presently operates the Twin Cities Arsenal, one of the great arsenals of our country.

Mr. Horn wrote the following telegram:

We are informed, and we believe reliably, that there is an endeavor on the part of a lumbermen's group to eliminate from the soil bank, all references and protection to forestry and wildlife. This is an unthinkable thing because of the relationship of plants, cover, soil stability, water flow, and other interrelated resources. Please give this your attention and advise us what action, if any, can be taken. Will you please help us protect these vital interests.

Not only does this timber and lumbermen's lobby want to strike out sections 601 and 602, but also any reference in the bill to reforestation and forest products as included in the soil-bank provisions.

I want to make this record tonight because I now serve warning on this lobby that its actions are not in the public interest, that it represents the worst kind of selfishness, that its actions are against the long-term good of the Nation in terms of the proper utilization and development of our resources.

We have had too many years in America when we did not take care of our natural resources. We put a stop to

that, and we had better make sure we do not retreat.

I have another telegram from Howard Zahniser, of the Wilderness Society of America, one of the great conservation organizations. The telegram was sent from New Orleans, where there is being held a convention or conference of conservation groups. The telegram reads:

DEAR SENATOR HUMPHREY: I have just sent Senator ELLENDER the following telegram:

"The Wilderness Society joins other conservation groups in commending the agriculture bills proposal to help protect wildlife and other natural resources and in urging that its proposed authorization to carry out a program of soil, water, forest, and wildlife conservation be enacted."

I have sent this from New Orleans, where I am attending the 21st North American Wildlife Conference. Incidentally, I have heard many commendations of your interest in the proposed wilderness preservation system. Your remarks on this in the Senate of February 29 are deeply appreciated.

The conservation groups are beginning to get news of what is going on around Washington, and that the lobby is at work.

I have a telegram from Mr. C. R. Gutermuth, vice president of the Wildlife Management Institute, who is also attending the conference at New Orleans. The telegram is addressed to me at the Senate Office Building and reads as follows:

Millions of conservationists urge your support in retaining forestry and wildlife provisions in soil bank bill, S. 3183.

I have another telegram from Sigurd F. Olson, president of the National Parks Association. I ask unanimous consent that the body of the telegram, which is to the same effect—and to the very strong effect—be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Senator HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

The National Parks Association has telegraphed Senator ELLENDER its views that retention of the provisions of farm bill protecting wildlife and forest soil and water conservation program is essential to the national welfare and to an effective and sound agricultural program. Your assistance in ensuring these provisions are held will be appreciated.

SIGURD F. OLSON,
President, National Parks Association.

Mr. HUMPHREY. Mr. President, I have another telegram, from Dr. Spencer M. Smith, secretary of the Citizens Committee on National Resources, at Washington, D. C., which reads:

Conservationists urgently request the retention of conservation measures contained in the farm bill now before the Senate. We steadfastly endorse section 6 of S. 3183. There is strong bipartisan support for tree planting and other conservation measures that are now contained in the bill. Conservationists strongly oppose any attempts to delete or significantly modify these measures to a lesser status.

I have a telegram from Carl O. Gustavson, secretary of the North American Wildlife Conference, which reads:

DEAR SENATOR HUMPHREY: I have sent Senator ELLENDER the following telegram:

"The executive committee of the Council of Conservationists meeting here in New Orleans in connection with the North American Wildlife Conference, including David R. Brower, Ira N. Gabrielson, Joseph W. Penfold and Howard Zahniser urges you to make sure that the farm bills provision for protecting wildlife resources are maintained and that enactment of the bill include authorization of a program of soil, water, forest, and wildlife conservation."

Mr. President, I am very proud to have received these telegrams from some very fine officials of organizations which are dedicated to the long-term good of the great natural resources of the United States.

I again say, and I predict, that a determined effort will be made on the floor of the Senate to knock those provisions out of the bill. I say, with equal vigor, a determined effort will be made to meet that effort head on and knock it down.

If there is one part of the bill for which I will fight with the last ounce of energy in my body, it is the provisions of the bill which seek to maintain conservation.

Mr. President, we welcome support from the administration on this. According to the press reports of this morning, I understand the President has been calling up Senators, asking them to vote against title I. May I suggest that in any further calls, the President ask for support of the conservation sections of the bill.

I have read that determined efforts are being made by the Secretary of Agriculture to knock out title I of the bill. I respectfully suggest to Mr. Benson that, when he makes those telephone calls, he at least ask for support for the conservation items of the bill.

I said last night that I felt those of us who are fighting for an effective price-support program and provisions in the proposed legislation relating to it had our backs against the wall. I repeat, that is the situation. I am a congenial optimist. I generally see what I think are the happy and the good and the pleasant things in life. But I must confess tonight that I am somewhat discouraged, and I am going to say what I said last night. If the farmers of America do not rise now in righteous indignation and demand of their Government that something be done about the income-stimulating devices in the bill, such as the 90-percent-of-parity provision, they are going to have a sad and unhappy future.

I call upon the farmers of the Nation to go to their courthouses and call upon their county commissioners and call upon their governors and call upon their commissioners or secretaries of agriculture at the State level, and have those public officials let the Members of the Senate know the desire of the farm population regarding this bill. I hope the farmers will literally organize demonstrations in town after town and city after city, to let the Government—particularly the Senate—know the deep concern they have over the possibility of a defeat of the income-protecting sections of the pending bill, S. 3183.

What we need now is someone to spread the alarm. We need a modern Paul Revere. But I suggest that he not use a horse, because it would not go fast enough. Instead, he had better use the telephone, the radio, the television, and all other modern forms of rapid communication, to spread the message that the agents of divide and conquer are working their subtle and devious program so that we may very well lose the income-protecting and income-increasing provisions from the pending bill.

Mr. President, I have to compliment the Republican propagandists on their newspaper advertisements and spot announcements. They now have sufficiently confused the situation so that some divisions are occurring in the ranks of those of us who for years have stood together in support of the 90 percent of parity program.

Mr. President, it is very discouraging to have proposals made for 1 year, in the case of commodities such as cotton, and to have 1-year proposals made for commodities such as corn. No farm program can be based on 1 year. A 1-year farm-commodity program is nothing more or less than an election package; it is just an effort to get votes. Such an election package will bring increased trouble to the Government and increased trouble to the farmers. No farmer can plan his farm operations on the basis of a 1-year extension or a 1-year proposal. That is not the way to write an agricultural program.

Instead, it is the way to write a campaign speech, or the way to put into the CONGRESSIONAL RECORD a campaign promise—one which will be repudiated next year.

I do not think the farmers are going to be fooled. There may be in the Government some persons who are being fooled; but the farmers know that a one-year extension is no program at all, and that it is nothing more or less than an expedient measure to use in an effort to get past the election. The farmers know that a one-year program for cotton or a one-year program for corn is nothing more or less than an attempt to bridge over the problem during an election year—and then will come 1957, and then the cotton farmers and the corn farmers will be at the mercy of a merciless administrative program; they will be at the mercy of those who have not wanted to have an effective price-support program.

Mr. President, I am registering my protest over the kind of political maneuvering that is going on, when proposals are being made in regard to commodity after commodity, in an attempt to separate them from the great basic crop structure—in an effort to do what? In an effort to see to it that 90 percent of parity will not be provided in this bill.

I serve warning upon the administration that if it continues to use the method of divide and conquer, and if it continues to make proposals for separate treatment for individual commodities, it will open up a Pandora's box of economic trouble.

Furthermore, if the Members of the Senate who have stood together for years in regard to agricultural legislation and agricultural policy are willing to be

weaned away for a one-year program in an election year, they are going to be part and parcel of an effort that ultimately will wreck any responsible and constructive agricultural policy.

The American farmer needs to be heard in the Congress; he needs to be heard tonight in such clear and unmistakable tones and language that not one Member of the United States Senate will be in doubt. I know of no better way for the American farmer to make his voice heard than to start the chain reaction from the grass roots to the court houses, then to the State houses, and then to the White House, to the Secretary of Agriculture, and to the Senate. If the American farmers will do that, if they will literally march in the streets, requesting simple justice—going to the court houses, and thence to the State houses, and will lay their just plea for economic justice before their duly-elected local officials, and then will ask those local officials as their agents to lay that plea before the Congress and the President and the Secretary of Agriculture—we shall get favorable legislation, and Senate bill 3183 will be passed.

Mr. President, this bill is the result of months of testimony. The distinguished Senator now presiding over the Senate—the senior Senator from Louisiana [Mr. ELLENDER]—heard all that testimony. I think it is fair to say that the bill embodies the overwhelming majority of views and expressions of opinion gathered throughout the great agricultural States of our land. People by the hundreds were heard, statements were filed, farm organization officials were heard, Senators and Members of the House of Representatives were heard, and officials of the Department of Agriculture were heard. Then a majority of the members of the Senate Committee on Agriculture and Forestry prepared the proposed legislation which now is before us. It is the result of hard work; it is the result of methodical hearings, testimony, analysis, and study. It proposes a comprehensive farm program.

To weaken what we have here is to court economic and political disaster. Nothing would be better for this country right now than for the Senate to take a recess for a couple of days, and for every Senator to go home and talk with his constituents—not merely the constituents who first gather around us when we go home, but the people generally. A Senator should go out among the people.

There is a political fire in the Great Plains, Mr. President. There is more than smoke. There is a blaze. The farmers are demanding action. They are not demanding the synthetic, halfhearted, weak-kneed program known as the Eisenhower-Benson program. That program could not get enough votes out in the rural areas even to make a 2-inch, 1-column news story. The American farmer wants more than that.

Mr. President, I noted with some interest a news bulletin which has just been issued by the United States Department of Agriculture, Commodity Stabilization Service. It has just been released. It is being sent to all ASC State and county committees. It deals with the

proposed soil-bank program. It is signed by Walter C. Berger, Acting Administrator of the Commodity Stabilization Service. It is identified as "Notice General, 348."

On page 3 of the bulletin there are suggestions to the county committees as to how benefits will be paid, and the amounts to be paid under the soil-bank program for acreage reserve. The bulletin shows, for cotton, wheat, corn, rice, and tobacco, the national average yield per acre, the acres which might come under the acreage-reserve program, the rate of payment, based upon normal yield, the approximate cost per acre, and the total cost in millions of dollars. Those are the categories.

Under "rate of payment based on normal yield" we find the figure of 50 percent of the loan value. Let me point out the meaning of that. The Department of Agriculture representatives stated before our committee, in expressing the desire of the Department for a voluntary soil bank program, that the way they would get farmers to participate was by having a greater incentive, a very good incentive payment, large benefits, which would provide an incentive for voluntary participation. It will be noted from this bulletin, which has just gone out, that the Commodity Stabilization Service has, as the rate of payment based upon normal yield, 50 percent of the loan value. So if a crop is being supported at 75 percent of parity, this means that the rate of benefit payment under the soil bank acreage reserve plan will be 37½ percent of parity. If a crop is being supported at 90 percent of parity, the benefit payment will be 45 percent, or one-half of 90.

To translate this into much simpler terms, it means that as we reduce the price-support level on any commodity we reduce the amount of the payment per bushel, per pound, or per acre.

This administration has talked a great deal about wanting to get some money into the agricultural economy. Let me say to the President and the Secretary that the one good way to get some money into the agricultural economy is to have 90 percent of parity price supports on the basic commodities, and to have 90 percent price supports as a rate of payment, divided by 2, or one-half of 90 percent as the rate of payment for the soil-bank benefits.

There are no cut-rate prices in this program. There is no bargain counter, sale-price structure to afford an answer to our agricultural difficulties. I want every Member of Congress to understand that when we vote to reduce price supports on basic commodities, we also vote to reduce benefit payments under the soil bank; and when we vote to reduce benefit payments under the soil-bank provisions, we thereby make it all the more difficult for farmers to participate, because farmers will not take cropland out of production, under the allotted acreage, which acreage is already reduced, unless they are adequately rewarded for those acres under the soil bank benefit payments.

So when we vote on title I, we are not only voting for or against 90 percent of

parity on the production of the acres, but we are voting for or against 90 percent of parity as a base rate for soil-bank benefits.

One of the main arguments for having 90 percent of parity in this bill is that it makes possible a greater incentive for farmer participation in acreage cut-backs. Ninety percent of parity will make acreage allotments work, and 90 percent of parity will provide a base formula for benefit payments under a soil bank which will invite participation.

I want our farm people to understand what this problem is all about. When we are through voting, they will know who are their friends and who are not. If we lose this 90 percent of parity argument, if we lose this particular part of the farm bill, when Mr. Farmer gets his soil bank benefit check for cutting back his acreage and sees how little it is, I want him to hold strictly accountable every Member of Congress who voted to cut that check by reducing the price supports.

After all, it was the administration's idea to have the acreage reserve. That acreage reserve affects the allotted acres, which are already reduced acres. The administration came before our committee, through the Secretary and the Under Secretary, and asked for a voluntary soil bank program. They wanted no compulsory cross-compliance. They wanted no compulsion upon persons coming into the program. We agreed with the voluntary principle, but it was clearly understood in the committee that the only way the voluntary principle could work would be to have the benefit payments for acreage removed from production, over and above the allotted acres, sufficiently high to encourage participation.

To reduce price supports is to write the doom of and, to prematurely kill, bury, and put away the acreage reserve section of the bill. I do not believe the administration wants the acreage reserve section to work. Perhaps this is some more of the Eisenhower philosophy—liberal in philosophy, but conservative in economics. It is like the saying that a man loves his wife, but he never buys her a new hat or a new dress. The acreage reserve section is supposed to cut the surplus, to use the surplus.

The only way the acreage reserve section under the soil-bank provision will ever work is to make the benefit payments sufficiently large so that when a farmer cuts out acres, he will get as much net income from not planting as he would for planting.

No farmer in his right mind, in view of the present economic conditions in agriculture, and in view of the reduced income he has suffered in the past 3½ years, is going to further cut his acreage on allotted crops, which crops have already suffered a cut, unless for the acreage taken out of production, he is so generously rewarded that it is better for him to remove it from production than it is to plant it.

I remind the Senate that the rate of pay for benefits on the acreage reserve acres is based entirely upon the price support schedule.

SURPLUS DISPOSAL

Mr. President, I want to turn my attention to what this administration terms "surplus disposal," but which for the past 3 years I have constantly called the need for wiser use of our abundance.

A country's productive ability should be put to good use, not curtailed. To be sure, temporary production adjustments are needed to protect producers and assure them an opportunity to make a decent living, so that they can continue producing for our future needs.

Yet we have done a disservice to allow the berating of surpluses to become such an accepted practice that they are almost regarded as a curse, rather than a blessing.

How much more concerned we in the Senate would be, if we were confronted with a serious food shortage, and debating how to provide enough food for our people?

It is time we were thankful for our abundance, and applied our good judgment to using it more wisely, instead of using it as a whipping boy with which to punish farmers.

Any surplus we may have is only an excess supply above effective market demand at prices for which farmers can afford to sell, not a "real" surplus in the sense of supply above actual need in the world.

Let us remember that. Our task, then, is a temporary one of making good use of our abundance until market demand fully catches up with our supply, through population growth and constantly improving living standards throughout the world.

It always amazes me to see the short range vision of many when they consider farm policy.

What is an "alarming surplus" one year may easily become a "dangerous shortage" a few years later when we get involved in an international crisis, or suffer natural disasters, such as a flood or a drought, or severe winter weather, such as is being experienced in western Europe this year.

Earlier in this talk, I mentioned my conviction that this administration has frightened itself by its own propaganda about surpluses. I believe their panic about having any abundance existing in this country is ample proof of that fact.

If we are going to discuss surpluses at all, or surplus disposal—and that is what the President has asked us to do—the first thing this Congress should know is just what is surplus and what is a normal safe reserve to keep the pipelines of our food and textile industries filled.

Do Senators know any store that does not carry a reserve inventory in the warehouse, to replace the stocks on its shelves as they are sold?

Do they regard that as surplus, or do they think it is prudent business judgment to always carry a reserve inventory?

In terms of the short-range look, perhaps our current stocks on hand can be painted into an alarming picture to the American people. But why look ahead a few years, and anticipate any of the emergencies that might develop?

Why do we not measure the surpluses in terms of our population, both human and animal?

Does anyone in this Chamber know for sure we will not have several years of drought, disease, or other crop failure in the next decade?

Does anyone in this Chamber know for sure we might not find ourselves plunged into a war not of our making or desire, with a suddenly stepped-up demand for more food and fiber than we are even now producing?

How can we soundly legislate without taking such factors into consideration?

When surplus disposal was being considered by our Senate Committee on Agriculture, I urged the administration to tell Congress and tell the American people what is surplus and what is not in the Government's holdings of farm commodities.

In other words, I asked them to differentiate, on the one hand, between a normal inventory reserve for our American market and international and emergency needs and surpluses over and above supplies, on the other hand.

I urged that the National Security Council determine what level of supply of various major commodities should be maintained as available, in the public interest, for immediate needs and potential emergency needs.

I further urged that the Department of Agriculture make known to what extent its present holdings are normal inventory of the commodity trade, rather than real surplus beyond total domestic requirements, export needs, and safe reserves.

What are the answers to these vital questions?

We did not get them in the committee.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a press statement issued January 22 regarding my questions posed in the Agriculture Committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY ASKS FACTS ON SURPLUS VERSUS INVENTORY FOR NATION'S NEEDS

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, called upon the administration yesterday to "tell the Congress and tell the American people what is surplus and what is not in the Government's holding of farm commodities."

He urged the Senate Agriculture Committee of which he is a member to:

1. Ask the National Security Council to determine what level of supply of various major commodities should be maintained as available, in the public interest, for immediate needs and potential emergency needs.

2. Ask the Department of Agriculture to make known to what extent its present holdings are normal inventory of the commodity trade rather than real surplus beyond total domestic requirements, export needs, and safe reserves.

"Here we are in Congress, asked in the President's message to get rid of our surplus and cut back our agricultural production plant, without the slightest guidance from the administration as to what they mean by 'surplus,' or what level of supply they believe should be retained in the public's interest to protect consumers against a future shortage," Senator HUMPHREY said.

"Instead of all the prattle about 'surplus' to hide the failure of its farm program, it is time the administration gave us some facts about where it believes we should draw the line between safe supplies and surplus production.

"Instead of embarking recklessly on a 'get-rid-of-it-at-any-cost' campaign, let us first find out what the Nation's needs are in terms of our growing population, our increased cattle numbers, and our possible emergency needs on the international scene."

If by "surplus" the administration means everything in the Government's hands, Senator HUMPHREY warned, "it is recklessly misleading the American people at the risk of stampeding us into shortages."

"The truth is that much of the Government's present commodity holdings are the normal inventory of the private commodity trade," Senator HUMPHREY said.

Senator HUMPHREY challenged the administration to reveal the decrease in inventories normally carried in private hands "since it first announced its intention to lower price-support levels."

Much of the so-called "surplus problem," Senator HUMPHREY said, is merely getting the private trade to "carry its own inventory, instead of having it carried at Government expense.

"Ever since this administration started lowering price supports and adopting other price-depressant policies, private commodity dealers have reduced their own normal inventories because they knew they could buy back all they wanted whenever they needed it later at lower prices from the Government.

"You cannot expect the trade to carry large inventories of its own as long as it thinks the Government might come along and lower prices. As a result, any surplus disposal program based upon domestic dumping at lower prices means the trade will be even less inclined to increase its own inventories, and our surplus will grow rather than dwindle."

The most effective surplus disposal policy that could be adopted right now, Senator HUMPHREY said, would be "for Secretary Benson to announce he was going to ask Congress to restore 90 percent of parity for next fall's crop, but that the trade would have 90 days in which it could still buy from the Government at present support levels.

"Private traders would start rebuilding their inventories to normal levels overnight, greatly reducing the stocks in Government hands and drastically cutting Government storage costs," Senator HUMPHREY said.

"If an auto dealer were overstocked, he could not stimulate much business by publicly announcing prices would be lower 6 months from now. But he could attract business now, by revealing prices were going to be raised 6 months from now."

Mr. HUMPHREY. Mr. President, again I say that we did not get any answers to guide our committee's judgment.

When we could not get answers from the Department of Agriculture, we called the Deputy Administrator of the Office of Defense Mobilization.

It is an amazing thing to reveal to the American people that as far as top officials of these two agencies were willing to reveal to us, no thinking at all has been given by this administration to the potential needs of food and fiber in event of emergency.

Or, we have some \$6 billion worth of other critical materials tied up in stockpiles for defense emergency purposes, to make sure industry can keep operating in event of attack. But we have not made sure we will have food to feed the people manning the wheels of industry.

It is also rather interesting, Mr. President, in view of all the propaganda about how much the farm surplus costs for storage, that no one in the press or among the lay public seems to even think of asking what it costs a day to store these other critical materials in our national stockpile.

It would be very interesting to get a full report of the cost of storing critical materials under so-called strategic requirements.

I recognize, of course, that these materials are necessary. They are our inventory for defense needs. But so are food and fiber. This administration refuses to recognize them as such. This is a more serious situation than may appear on the surface. I am afraid that unless it is steel or aluminum or oil or manganese or cobalt or nickel, the administration does not regard it as important to defense. It must almost have a General Motors label on it to take on any importance at all.

Here we are, in the Congress, asked by the President of the United States to enact legislation cutting our farm production plant down below our annual needs, without being told how far these supplies should be liquidated, or how much we should hold in reserve for possible emergency use.

Mr. President, after failing to get any answers from administration officials during our hearings, I issued another press statement headed "Congress Asked to Liquidate Surplus Without Knowing Defense Needs." Mr. President, I ask unanimous consent that this statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONGRESS ASKED TO LIQUIDATE SURPLUS WITHOUT KNOWING DEFENSE NEEDS

Congress has been asked to liquidate the Government's food and fiber inventories "without any guidance as to the Nation's reserve requirements for national defense or other emergencies," Senator HUBERT H. HUMPHREY, Democrat of Minnesota, declared today.

"It seems incredible to me that this administration has apparently ignored entirely consideration of food and fiber reserve requirements necessary for protecting the public's interest in an emergency, in its request to Congress to liquidate the Government's present commodity holdings," Senator HUMPHREY said.

"Before Congress determines how far it should go in getting rid of this abundance we hear so much complaining about, we certainly should be entitled to know how much the administration feels should be retained on hand for any defense emergency.

"We have not that information today. We have not been able to get it so far. Apparently, the administration regards everything in its hands as surplus. They have asked us to get rid of the surplus. Are they prepared to assure the American people that no shortages would result in event of a defense emergency, if we take them at their word now and empty our bins and warehouses of cotton and wheat and other commodities and at the same time cut back our producing plant of farm acreage?" Senator HUMPHREY asked.

"Neither officials of the Office of Defense Mobilization nor the Department of Agriculture, appearing before the Senate Committee on Agriculture, indicated any deter-

mination had been made as to what level of reserves were necessary for defense purposes.

"Here we are putting \$6 billion into stockpiles of strategic minerals and other materials to make sure we have enough on hand in event of a defense emergency, building additional stockpiles of A-bombs, planes, and other weapons of warfare, yet the administration asks us to liquidate all of our food and fiber holdings without even thinking about how we could even start to defend our Nation in event of such an emergency without assurance of ample food and fiber.

"Agricultural products are vital to many industrial needs during periods of defense emergencies. We used up far more than we could produce during the Korean crisis, and were saved from acute shortages by the safety reserves we had accumulated.

"Is it not reasonable to assume some officials of our Government would take a careful look at the situation from a defense and national security standpoint today, before asking us blindly to liquidate all of our reserves?"

Senator HUMPHREY said members of the Senate committee strongly favored setting aside a strategic reserve of food and fiber for such purposes, but had been unable to get any guidance from the administration as to what level of requirements might be anticipated in event of an attack.

Mr. HUMPHREY. Mr. President, in the absence of any willingness of this administration to tell us what we might or might not need, any Senator's guess may be as good as mine. But I believe it casts a strange shadow of doubt over this administration's propaganda barrage about the surplus when it is unwilling, or unable, to give us any real picture of what we might need and what we might not need out of the stocks on hand.

I have previously indicated by official figures that those stocks were far from excessive in 1952 when the Democratic administration ended its regime in the executive branch. In fact, at that time Korean defense needs made it prudent to seek expanding production, instead of curtailing it.

I should like to call the attention of the Senate to the fact that a year before 1950, Congress was concerned about what we thought were surpluses. A year later, with a military action taking place in Korea—even though it was a limited war—we were calling upon our farmers to greatly expand their productive planting. We were eating into our reserves, and we were actually operating on a deficit so far as the feed grains in the country were concerned.

As I have indicated, stocks on hand have grown under this administration's poor handling of the farm program, and its lower price policies.

Yet in most instances the supplies on hand are still far from excessive, in light of possible emergency needs. They are certainly nothing to get so panicky about.

Even now, we have on hand, both owned by the CCC and pledged by farmers for loans that may yet be redeemed, only 3 months and 19 days supply of corn.

The American people have been led to believe over the past months that we have so much corn that it poses a major problem. The truth is that we have a supply of corn amounting to 3 months and 19 days. Would that be enough to

protect our supply if we had one bad crop year? I think the answer is quite obvious. We would not have a surplus of corn if we had any imagination and were taking into consideration the real needs of the Nation. We would actually say we were in short supply.

In fact, Mr. President, we were in such short supply that when this Senator asked that corn be included in the mandatory set-aside—in other words, to have 350 million bushels set aside—the Department of Agriculture said, "Oh, we cannot do that. That would be too much. That would tighten the market too much."

But to the press the Department of Agriculture says that the 90-percent price supports have caused a great surplus of corn. They become very pontifical about these things.

Mr. President, we cannot have it both ways. We cannot be out in the countryside reading headlines and editorial columns complaining about the terrible, monstrous, burdensome surplus of corn, due, of course, to 90 percent of parity, and then come before a committee where legislation is to be written and deny it and say that the Department cannot support a set-aside of corn to the amount of 350 million bushels.

We have on hand a reserve supply of butter enough to last only 1 month and 14 days.

In soybeans, we have only 29 days' supply—with only 410,000 bushels of soybeans actually owned by CCC, out of an annual domestic disappearance plus gross exports of some 283 million bushels. Is that excessive?

In oats, we have only 24 days' supply, both owned by the CCC and still owed by farmers but under loan.

Where, then, is this tremendous unmanageable, surplus they keep talking about?

Surely, Mr. President, it is not in corn; it is not in soybeans; it is not in oats; it is not in flax; it is not in butter.

We do have a supply of wheat that could last us 12 months and 11 days, and a supply of cotton that could last us 13 months and 10 days. But a fourth of the wheat and two-thirds of the cotton are still owned by farmers, only pledged as collateral for loans.

All of these figures I have used pertaining to the amount of days our supply would last are based on 1952 domestic disappearance plus gross exports—and our population has risen considerably since then. So has our animal population, which is dependent upon feed grains.

So, Mr. President, if we were to relate the amount of supplies in the Commodity Credit Corporation to the amount produced, there would be a much shorter supply than that which I have indicated today.

These are official Government figures, from the financial report of the Commodity Credit Corporation on December 21, 1955. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a tabulation of how long the supply of our various stocks of commodities would last.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

How long would supply last?—Quantity of commodities pledged for CCC loans and owned by CCC as of Dec. 31, 1955¹

[All figures in thousands]

Commodity	Unit of quantity	Pledged for loans	Owned by CCC	Total quantity	Domestic disappearance plus gross exports, 1952	Period present supply will last based on 1952 requirements	
						Months	Days
Corn	Bushels	180,159	757,612	937,771	² 3,152,920	3	19
Cotton, upland	Bales	5,422	7,921	13,343	12,190	13	10
Peanuts, farmers' stock	Pounds	290,746	6,033	296,779	² 607,449	5	28
Rice	Hundredweight	12,115	15,387	27,502	46,103	7	8
Tobacco	Pounds	1,053,976	231	1,054,207	2,043,012	6	3
Wheat	Bushels	221,241	888,542	1,109,783	1,009,284	13	11
Butter	Pounds		166,399	166,399	1,389,000	1	14
Cheese	do		333,002	333,002	1,227,000	3	9
Milk, dried	do		161,714	161,714	1,035,000	1	27
Honey	do	986		986	281,254		1
Tung oil	do		22,988	22,988	51,295	5	14
Barley	Bushel	60,152	31,261	100,413	273,956	4	14
Cottonseed meal	Pound		53	53	5,290,000		
Cottonseed oil	do		17,878	17,878	1,359,000		5
Flaxseed	Bushel	6,685	438	7,123	35,465	2	13
Grain sorghum	Hundredweight	43,483	26,452	69,935	188,357	4	16
Linseed oil	Pound		57,256	57,256	553,000	1	8
Oats	Bushel	56,237	35,258	91,495	1,364,441		24
Rye	do	8,988	3,306	12,294	19,112	7	25
Soybeans	do	22,342	410	22,752	² 283,001		29

¹ Figures from Financial Report of Commodity Credit Corporation, Dec. 31, 1955.

² 1951.

Mr. HUMPHREY. Mr. President, I wonder how many editorials will be written tomorrow morning concerning the available supplies of agricultural commodities. Every editor in America could get the facts, and it is the duty of the Department to see that they get the facts. One of the first obligations of the Secretary of Agriculture, under the congressional enactment establishing that office, is to provide information to farmers, to the public, and to the sources of communications. One of two things has happened: either the Department of Agriculture has not furnished its information to the newspapers and the commentators, or the journalists, publishers, and commentators are already prejudiced and refuse to read the information which they receive. Both are inexcusable.

If the Department of Agriculture has not supplied the information, then it is derelict in its duty. If it has supplied the information and the American press has not accurately reported it, then it is guilty of gross irresponsibility.

I assume they did not get the information. Of course, I assume there is no editor or publisher or commentator in America who would want to say in his columns that 410,000 bushels of soybeans would constitute a burdensome surplus. I do not think there is any editor who would want to say that 24 days' supply of oats in the hands of farmers and the Government would be a monstrous, burdensome amount. I cannot imagine any editor saying that a 3 months' supply of corn is a burdensome surplus.

Of course, the administration says that the reason why prices are down is that we have such a tremendous surplus. That is not exactly the truth. The reason why prices are down is the way in which the administration handles its supplies.

Mr. President, I received a letter from a wheatgrowers' association in the Midwest. I do not identify for the RECORD this letter and its point of origin, because I have a copy of the letter which was sent to one of my colleagues in the Sen-

ate, and it would be inappropriate for me to name that colleague. However, I may say that if anyone is interested, the letter will be on file in my office, and I have it in my hand.

I think it would be interesting to note 1 or 2 paragraphs of the letter, and I shall read the first one:

DEAR SENATOR: I would like to know who is the Republican senatorial and congressional committee and who furnished the money for the full-page ad and the radio publicity program urging the passage of this so-called President's program.

Mr. President, I wish it known that this letter was sent to a Republican Senator. The letter goes on to say:

The ad, in my opinion, is about as childish an accumulation of false statements or vague and meaningless assertion as I have seen put together in political propaganda.

As I stated in my letter yesterday, there are some good things in the bill. If properly administered after it is passed with the soil bank and the 90-percent support and old parity, it could be the best program that any Republican administration has ever offered to the farmer or farming communities.

The childish statement introducing the ad with Dwight Eisenhower's name signed to it, is a pathetic admission of failure on the part of the present administration and a childish attempt to hang that responsibility on the previous administration, and it certainly is not going to get across or impress anyone with the mentality above that of a 10-year-old with anything other than it is a false assertion.

The assertion that great stocks of commodities is driving the prices of those commodities down is not even remotely near the truth.

If thought through it exposes the one expressing it to a pathetic ignorance or deliberate deception in an intent to create a more dangerous position than the one we have.

Plainly the situation is this, if we had a hundred billion bushels of surplus and no support program, the price will drop to world level normally.

Therefore, with any appreciable surplus, we either have a support program or prices at world market levels in competition with the Chinese coolie and the Russian peasant.

What are the planners of this scarcity program building for? If they eliminate en-

tirely the surplus and put us on an import basis, then we could have the world market plus the tariff protection. Is that their idea of stock piling an intelligent supply of war needs in the event of war.

If that is not their idea, then why not stop the nonsensical argument that stock piles are pushing our prices down.

All that is pushing our prices down is a disposition on the part of the administration to force prices down so as to harvest wealth off of the farm which has been a Republican policy as long as there has been a Republican Party or very nearly that.

We staggered through that policy in the 1920's. Then when the feeble fumbling attempt of the Farm Board failed, the entire economy collapsed as a result of the unsound policy.

Personally, I have never been disposed to charge either President Eisenhower or Benson with the initial responsibility for this program. It is for the advisers back of those who picked both of these men, not because they were qualified, but because they were not qualified and consequently could be handled and misled into the present program that contemplates funnelling the wealth into the industrial centers and harvesting it off the farms. Just as was done in the 1920's. These men are aggravated because the Democratic farm program of the previous administration has blocked them in this accomplishment to a degree to date. The failure of the farm program that we have had for the past ten years, to the extent that it has failed, has been 100 percent due to Republican manipulation.

The 80th Congress started the whittling with a sliding parity. The next time the Republican Party got control, we have sliding support plus sliding parity.

The present program offered is the first move the Republican Party has ever made offering anything worth mentioning and the Secretary of Agriculture and the President both, due to bad advice from their backers oppose the only feature in this bill that contemplates giving the farmer more nearly a fair share of the Nation's wealth, that is the return to 90 percent and old parity. There is not the slightest reason to believe that they would be doing that if there were not an election in November and in the background, the bill is only a 2-year measure. What grounds do we have to believe that we would have any program left 1 year after election with promises that are not even equal to the promises that the President gave us as head of his party prior to his previous election?

If I were a candidate, as you are this fall—

Mr. President, I digress to point out that the Senator to whom the letter was sent will be a candidate for reelection, and his friend says to him:

If I were a candidate, as you are this fall, I would not attempt to defend that record and I would be very cautious about condemning the previous administration that in cold facts was head and shoulders above the present administration from the farmers' point of view and I think from the Nation's welfare as well.

I would pick out a few things of value that the present bill does offer and I would concede the weaknesses and the economically unsound policy that the administration has otherwise followed which is a repetition of what they followed in the 1920's, leading to the 1929 and 1930 harvest of world bankruptcy, the fruits of their effort.

This may sound a little rough—

I leave out the name, Mr. President—but I think it's cold hard facts that we better give serious consideration.

Mr. President, that letter is not from a Democrat; it is a letter from a real, 100 percent, thoroughbred Republican. But he knows what is going on.

Now I want to read, in part, what the man wrote to me, so that the RECORD may be clear. The letter, addressed to Senator HUBERT H. HUMPHREY, reads:

DEAR SENATOR: Normally I am a Republican, but I am first an American citizen and a farmer, and from that standpoint, I have not been able to support Republican candidates very frequently.

Mr. President, I shall not read the remainder of the letter because the man was writing a personal communication.

This gentleman attended some of the hearings which the committee conducted. His letter is indicative of the kind of mail which is being received from the Midwest. It comes from a State which is so Republican that the hope of a Democratic victory is always somewhat down the road.

Mr. President, it is about time somebody looked seriously at these figures in relation to what they might mean to our civilian defense, and to our war production in event of an emergency. Surely, we might get crops increased in a year or so. But a lot of people could go hungry waiting.

Many thinking people have expressed similar concern. Recently Bernard Baruch, the senior statesman, in a series of articles appearing in the Scripps-Howard newspapers, voiced the urgent need for such an emergency stockpile of food and fiber.

I might suggest that Mr. Bernard Baruch is not an idle dreamer. He is considered to be one of the shrewdest men in America, one of the most able statesmen who ever participated in the affairs of government.

Again, more recently, Earl H. Voss, military writer for the Washington Star, wrote an article published in the February 19 issue of the Star headed "Surplus May Be Vital if Nuclear War Comes."

Let me read just his opening paragraphs:

Force yourself to imagine, for a ghastly few minutes, that the unthinkable has happened. The all-out nuclear war has begun. Almost immediately both sides could be expected to leap to a perilous conclusion:

Chemical and biological warfare are no more inhumane than H-bombs. The time would have come to shoot the works.

And what would this mean?

Almost certainly, it would mean contamination of our food supply. Grain fields in the Middle West would become battlefields. Government surplus stocks would become targets. Air bursts from guided missiles, from balloons, from Soviet bombers' droppings, deliberate dispersion of radioactive waste materials—all of these could contaminate our bread basket with a deadly poison.

America, the land of milk and honey and plenty, could overnight be faced with starvation.

Which brings up more questions:

Are we wise in trying so hard to peddle our farm surplus? As a matter of fact, do we have any surplus at all?

Mr. President, I have been quoting from an article in the Washington Star. I concur wholeheartedly in the concern

expressed. If we thing nuclear warfare is enough of a threat on which to spend billions for defense, is it not time that we even consider what our food and fiber problems might be?

Mr. President, I ask unanimous consent to have the entire Star article to which I have referred printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SURPLUSES MAY BE VITAL IF NUCLEAR WAR COMES

(By Earl H. Voss)

Force yourself to imagine, for a ghastly few minutes, that the unthinkable has happened. The all-out nuclear war has begun. Almost immediately both sides could be expected to leap to a perilous conclusion:

Chemical and biological warfare are no more inhumane than H-bombs. The time would have come to shoot the works.

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America, the land of milk and honey and plenty could overnight be faced with starvation.

Which brings up more questions:

Are we wise in trying so hard to peddle our farm surplus? As a matter of fact, do we have any "surplus" at all?

How long would it take to deplete these "huge, depressing surpluses overhanging the market" in case of all-out war?

OUR STANDBY STOCKS

Here are some answers, supplied by the National Farmers Union and based on Agriculture Department statistics (American consumption and exports assumed to be the same as in 1952, the last year no surpluses were accumulated):

"We have corn for only 3 months and 19 days—barely enough to keep the distribution pipeline filled.

"We have enough wheat for 13 months and 11 days.

"We have enough cotton for 13 months and 10 days.

"Enough rice for 7 months and 8 days.

"Enough butter for 1 month and 14 days.

"Enough rye for 7 months and 25 days.

"Enough barley for 4 months and 14 days.

"Enough oats for 24 days.

"Enough soybeans for 29 days."

The list goes on, but there is no important crop in which our surpluses exceed 14 months' supply. Of course, fallout with long-term persistence, like strontium or cesium, could contaminate our farmlands for many years.

Today, even the meager stocks we have on hand could be contaminated in the first days of an all-out war. We have made no preparations to protect them (or anything else) against radioactive fallout or chemical attack.

Despite these inadequacies of our food and fiber stocks for a nuclear war situation, both Democratic and Republican administrations have sought to reduce them in two ways, by selling them or giving them away abroad, and by discouraging farm production.

TWO VOICES

At least two Democrats in the Senate are now awakening to the political as well as nonpolitical advantages in setting up a strategic reserve of food and fibers. They

are Senators ROBERT H. HUMPHREY, of farm-State Minnesota, and HENRY M. JACKSON, of Washington.

Senator HUMPHREY has called on the Office of Defense Mobilization and the Department of Agriculture to say "what level of reserves are necessary for defense purposes."

There is an apparent inconsistency in the Nation's attitude toward food on the one hand and inedible strategic materials on the other.

"Here we are," Senator HUMPHREY points out, "putting \$6 billion into stockpiles of strategic minerals and other materials to make sure we have enough on hand in event of a defense emergency, building additional stockpiles of A-bombs, planes, and other weapons of warfare, yet the administration asks us to liquidate all of our food and fiber holdings without thinking about how we could even start to defend our Nation in event of such an emergency without assurance of ample food and fiber."

TWO SOLUTIONS

Generally, there are two main ideas about how to use our food surplus as a strategic reserve:

First, stockpile it in protected sites, dispersed in the vicinity of metropolitan areas most likely to be attacked in an all-out nuclear war.

Second, send some of the surplus abroad to our allies for similar stockpiling in case of war.

It has been suggested that the food and fiber raw materials might even be processed before they are stockpiled, put into individual rations ready for distribution. Big cities could be ringed with strategically located warehouses—underground. Stocks could be rotated, if necessary, to provide a permanent safety reserve.

The advantages cited by proponents of the plan are these:

1. American strength in the broken-back phase of a nuclear war would be greatly increased; the Soviet Union, it will be remembered, has no comparable agricultural surpluses.

2. Our allies would be stiffened against Soviet intimidation and would have new evidence of the United States long-term interest in their survival.

3. Properly insulated from world and domestic markets in this manner, American surpluses would lose their depressive effects and farm prices might head back toward that 100 percent in the marketplace which President Eisenhower seeks.

Before any concrete action on these proposals is possible, however, two questions must be answered.

TWO QUESTIONS

First, what levels of supply should be maintained for emergencies, such as wars or famines? Second, what is a normal inventory of farm commodities—needed to keep the pipeline filled from farmer to consumer?

The Office of Defense Mobilization, which is now stockpiling strategic materials, works on the assumption that a 6-month supply of hard goods must be kept on hand. Shouldn't there be at least a comparable supply of foods and fibers?

Our meat supply, of course, depends on feed grains for the cattle, poultry, and hogs.

One prominent nuclear scientist familiar with fallout effects believes that:

"Food would be the most essential thing in case of nuclear attack. We should take advantage of our surpluses and produce balanced rations for storage in safe sites near metropolitan areas, so that our people will be assured of the most important item for our survival following an attack—uncontaminated food."

It is entirely conceivable, of course, that America's efficient farmers would soon produce enough to fill our strategic food reserve requirements as well as those of our allies

and soon begin piling up new surpluses. But until we have the security of adequate food reserves, there is room to wonder whether we are overemphasizing the present need for regulating production.

Nuclear war, of course, is not the only phenomenon which could threaten the American food supply. Famines and other natural disasters are still possible.

Mr. HUMPHREY. Mr. President, it is interesting to note that countries such as the Scandinavian countries—yes; and Germany prior to World War II, and also the Soviet Union—really stockpiled food. Some of those countries now stockpile food. But not America. No. Food to us is a problem, so says the administration. No wonder some of us are concerned about the administration's defense program. It is a defense program which is based upon inadequate defense supplies, inadequate power, and no concern over food and fiber. Yet one of the greatest military geniuses of all time, Napoleon Bonaparte, in speaking about the importance of food, said that an army travels on its stomach. What he meant was that without food, no military power is possible.

I do not want Congress ever to say it was not warned of what might occur. I want it to consider carefully when it rushes pell mell to enact legislation predicated on a propaganda barrage about surpluses.

Why can we not lift our sights and look further ahead?

I do not know of a business that confines its planning to 1, 2, or 3 years. When a corporation or a utility issues bonds, it plans on 25 to 50 years ahead, taking into consideration population growth, needs, and potential demand that far in advance. Why can we not do that with agriculture?

Mr. President, I wish to refer to an article appearing in the St. Paul (Minn.) Pioneer Press on Wednesday, May 18, last year, headed "U"—meaning University of Minnesota—"Expert Warns of Population Growth—Hungry Future Seen for Man."

The lead paragraph in that article says:

One of the world's top authorities on cereal grain diseases stated Tuesday night that mankind is at the crossroads of starvation, groping for the right road.

Further down in the article it says:

The population of the world is exploding in our faces. It is now about two-fifths of a billion, and it is increasing at the rate of about 1 percent a year—25 million new mouths to feed each year.

At this rate, there is another Australia to feed every 4 months, and another Canada every 7 months—another United States every 6 years. In 40 years, at the present rate of increase, the world will have to feed 3.5 billion people.

Authority for these remarks quoted above is Dr. E. C. Stakman, professor emeritus of the University of Minnesota plant pathology and botany department, one of the truly great scientists in the field of agriculture in the history of this Nation. When Dr. Stakman can be concerned, it appears to me somebody in the Department of Agriculture ought to be concerned.

Mr. President, I ask unanimous consent that the Saint Paul Pioneer Press article be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIVERSITY EXPERT WARNS OF POPULATION GROWTH—HUNGRY FUTURE SEEN FOR MAN

(By Reub Monson)

One of the world's top authorities on cereal grain diseases stated Tuesday night that mankind is at the crossroads of starvation, groping for the right road.

In a "Centennial Year Symposium at Michigan State College, East Lansing, Dr. E. C. Stakman, professor emeritus of the University of Minnesota plant pathology and botany department, said:

"Man is menacing himself with two tremendous powers, the power of atomic energy and the power of human reproduction."

Emphasizing the problem, he stated, "The population of the world is exploding in our faces. It is now about 2.5 billion and it is increasing at the rate of about 1 percent a year—25 million new mouths to feed each year."

"At this rate there is another Australia to feed every 4 months and another Canada every 7 months—another United States every 6 years. In 40 years, at the present rate of increase, the world will have to feed 3.5 billion people."

ASIA GAINING

Dr. Stakman pointed to densely populated Asia as an example:

"Despite a high death rate, the population of India and Pakistan increased by 48 million in the decade 1931-41."

"Despite the death of 100 million from starvation in China during the past century, estimates are that the population will reach 950 million by the year 2000."

Then he asked, "Is there enough land and water in the world to feed and clothe the products of man's profligacy?"

He said that "man is one of the most difficult animals in his own biological environment" who has "not always acted wisely, but his constructive accomplishments in general have been greater than his destructive mistakes."

"He has learned how to feed more people and how to keep them alive longer. And thus he has created a problem for himself. Can he increase food production fast enough to keep pace with the increase of his own numbers? Can man provide food for all or must two-thirds of the world go hungry as it does now?"

MORE LAND NEEDED

The answer, he pointed out, is difficult. "It is evident that we must try to get more land for cultivation or cultivate better what we now have—or invent a way of getting food energy from some source other than plants," the scientist explained.

"Unfortunately, land, unlike population, is not expansible. Most of the best land is already in use, and some is deteriorating."

Dr. Stakman said that the answer lies in science. "Science must serve society, but society must enable science to function in its service by providing adequate facilities."

Mr. HUMPHREY. Mr. President, why can we not heed these warnings?

Farmers themselves are ahead of the rest of the country in thinking along these lines. They have learned the hard way of the need to make sure they have plenty of reserve feed for their livestock.

Many, many of my letters from farmers indicate this concern.

For example, I ask unanimous consent to have printed in the RECORD at this point, a letter from Theodore A. Marks, of Wendmere Farm in New Market, N. J., warning that when surplus ends, scarcity begins.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WENDMERE FARM,
New Market, N. J., February 20, 1956.
The Honorable HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Abundance. Surplus. No reserve. Scarcity. When surplus ends, scarcity begins.

Because farmers need cash to run their business, the food and feed inventories of the farms at the present time are the lowest, proportionate to the population, in the history of the Nation.

However, the food manufacturers and the Commodity Credit Corporation are fairly well stocked with food and feed, exactly how much no one knows; we should have available certified inventories (quantity and quality) of all commodities in our warehouses (Government and private) and on all farms.

But it will be 6 long months before we start to harvest the new crops. During that time we will be feeding, 2 and 3 times a day, over 168 million humans and over 2 billion animals.

Will our supplies be enough? Suppose we are visited with a drought during the months of May, June, and July (the growing and moisture months), what would happen? Horrors. Every cupboard a Mother Hubbard's.

We are spending over \$45 billion yearly for all-out defense and over \$3 billion for foreign aid. Are these projects solely to make work for the people, or are they intended for necessary protection against an enemy?

If this be the case, how can we plan without food reserves? We won two world wars because we had enough food; our enemies lost because they had none.

The farmers have been liquidated. Is the United States next?

Truly,

THEODORE A. MARKS.

Mr. HUMPHREY. Mr. President, more and more of our farm journals are emphasizing this need to prepare now for times of emergency.

I have here an advance proof of pages 2 and 3 of the Minnesota Farmer published in Minneapolis, of which Hilding W. Silverston is publisher-editor.

One page is devoted to an article entitled "Survival Food: A Place for Farm Surplus." The other is devoted primarily to an editorial entitled "Farm Surplus for Defense."

The article and editorial raise a question all of us should be thinking about: Why do we have a farm surplus on one hand, and a food for defense shortage on the other?

Mr. President, I ask unanimous consent to have both the article and editorial referred to printed at this point in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

SURVIVAL FOOD: A PLACE FOR FARM SURPLUS

Emergency "food banks" or food kits for use by civil defense could help solve the farm surplus problem.

Surplus farm commodities could be processed into food and located in relief areas for use by evacuees of a "target city." Specially processed survival kits could be distributed as part of civil-defense preparations for the families who would be evacuated from target areas in an emergency.

Such advance preparations would ease the problem of feeding a population displaced by real or threatened enemy attack.

Would feeding emergency evacuees be a problem? Suppose the metropolitan Minneapolis-St. Paul area were evacuated in the face of enemy attack? Evacuation would displace some 1 million persons into relief areas in the State. Food stocks of these rural communities would soon evaporate. Hope it never happens, but if the Twin City area were actually destroyed, with the cities would go a major food processing center and large stocks of basic food. Other great commercial food warehouses and processing plants of America are in critical target areas.

The unpleasant truth is that today's farm surplus in its present form, is not today's emergency food. If war comes to the world again, the fact must be faced that American cities will be subject to attack with weapons of obliteration. The stocks of farm commodities, the raw material of food, which served well in other wars, cannot be counted on as long as it is possible in an instant to wipe out food processing centers.

America has great stocks of farm commodities which are being blamed for low farm prices. But much of this large surplus is not food that can be readily eaten. Some surplus could never be made into food. Some stored grain for example, has deteriorated in storage to the point where it is not fit to make into food. The storage bill for farm surplus is running a good \$1 million a day.

THERE IS A NEED

True, even specially packaged survival food might in time, become unfit, but the cost of maintaining usable supplies could be split between civil defense and the farm program. Providing survival kits to families in designated target areas would ease the necessity for large food warehouses.

Based on appeals by American leaders, providing survival food stocks or kits would not be overemphasizing the threat of war or surprise attack. In his appeal to Congress for a stepped up civil defense program, Administrator Val Peterson charged that some of his work "has been starved," and that the "small amount of money we have spent for research to save the lives of American people is shameful to contemplate."

The Civil Defense Administration has named 70 critical target areas in the United States and there are nearly 68 million people in those areas. If they become evacuees they will be moved to relief areas where they must be sheltered and fed under emergency conditions.

President Eisenhower has said that this is an age of peril. There is a constant threat of death and destruction because of the rapid development of atomic and hydrogen bombs and of planes and missiles to deliver them. Defense leaders have asked the Nation to prepare for emergencies. A ground observer warning net is being set up to supplement radar in watching the skies.

"Peace" statements by Russia's leaders cannot be taken seriously because of the basic conflict between democracy and communism.

IT CAN BE DONE

Complete plans for emergency food can and should be part of overall civil defense plans. The red-tape can be cut. The administrative machinery exists to distribute surplus food to distressed areas. This country stands ready to make surplus supplies available to peoples of Western Europe, suffering from the worst winter in decades. The United States Department of Agriculture has been delegated authority to provide food for civil defense. Under Secretary of Agri-

culture True Morse represents his Department on the Civil Defense Board. Farm surpluses can be released for processing into survival food stocks or food kits if the agencies act.

Because of their experience in packaging emergency foods during World War II, this publication asked executives of Doughboy Industries, New Richmond, Wis., about the possibilities of food preparation for civil defense use.

E. J. Cashman, Doughboy president, confirmed that such a plan was feasible. His firm set up processing, packaging and shipping procedures for rations and emergency food during World War II. Dehydrated soups and other foods packaged by Doughboy were distributed to Allies of the United States through the United Relief Administration. The firm also packaged survival kits for men in the Air Force. Today, Doughboy engineers and manufactures heat sealing units and packaging equipment used by the Government. Mr. Cashman believes that a survival food plan would be frankly facing facts. "The farm surplus problem is a serious one and so is the question of emergency food supplies for our defense program," he said. "This plan could ease pressure for both civil defense and the farm surplus problem."

The Minnesota Farmer also asked Val Peterson, Federal Civil Defense Administrator, to comment on the idea of converting some farm surplus commodities into emergency food. He believes a year's supply of basic foods, stored properly as a wartime emergency measure, makes sense from a civil defense standpoint. "The need is more apparent," he said, "when one considers that the great commercial food warehouses and processing plants of America are generally in critical target areas. These warehouses would be gone if an attack should occur and then it would not be long before the shelves of all the grocery stores would be completely bare. Bulk food supplies that are on hand now represent a valuable asset, but it would be ideal to store processed foods or something in the nature of armed forces C or K rations."

What about costs of preparing emergency food and storing it properly or distributing it as family survival kits? First, if civil defense plans are to be complete in face of what is known about atomic war, some processed food must be stored in relief areas as insurance. Second, processing farm commodities would reduce costs of storing them. Third, it could be even more costly to try and transport large supplies of emergency food through the terrible confusion of evacuation. Moving the population from designated target areas will be probably the biggest mass transportation job ever undertaken in America. It may have to be done with facilities crippled by destruction of transportation centers.

Because turning farm surplus into survival food would help solve two major economic and social problems faced by America today, the long-range cost could very well be small.

WHAT DO YOU THINK?

The Minnesota Farmer is presenting the survival food idea in the belief that free discussion leads to more correct solution of problems. Readers are invited to comment for publication on all aspects of this proposal. Address your letters to the Editor, Minnesota Farmer, Midland Bank Building, Minneapolis 1, Minn. A selection of letters received by March 20 will be published in the April issue.

FARM SURPLUS FOR DEFENSE

We think farm surplus stockpiles could be reduced and civil defense plans made more complete by the adoption of the "survival

food kits or food banks" idea presented on the facing page.

If the warnings of Russia's ability to deliver a surprise attack on this country are taken seriously, then certainly civil defense plans and preparations must be taken more seriously.

In asking for additional civil defense funds, Val Peterson charged that his work so far "has been starved" and that the country faces a real crisis unless steps are taken immediately to correct the situation. He said that with the expected advent of intercontinental-ballistic missiles, warning time could be eliminated and persons in target areas would have no alternative but to "go underground." If there is adequate warning and the population of target cities is evacuated, it appears that their presence in relief areas would soon pose an urgent what-are-they-going-to-eat question.

True, there are stocks of grain in the country and in some cases, processed food. But there apparently are no clearcut plans for distributing food to evacuees. In fact, evacuees may be asked to make their own food from raw material stocks, following instructions passed out by civil defense. We think a bulletin on making cornpone, or cracked wheat cereal from Government bin stocks would be decidedly unrealistic in an emergency. And what kind of food is stored where? Is all the orange juice in one place and the dried milk in another? Just how is this food to be made available in an emergency?

In his appeal to Congress, Val Peterson asked for a broader scattering of millions of people all over the Nation to prevent disaster from an attack. He asked for \$123 million for civil defense work in the 12 months starting July 1, compared to \$69 million allowed this year. There are already some indications that the funds will not be forthcoming.

We believe the civil defense problem generally and the food question particularly is one that people should discuss freely. It must be taken seriously. Just a few days before Mr. Peterson discussed his needs, three Russian leaders warned that "horrors of war worse than anything yet experienced by mankind would descend on the United States if the West starts a new war." Of course, they added that they are for peace, but the threat remains.

Survival steps have never been as important as they are now. Families have been told to lay in enough food and water for a week. Wouldn't a kit packaged for the purpose, or "survival banks" of such kits in relief areas be more practical?

Converting certain surplus farm products into emergency food supplies would give civil defense something it needs, and at least help relieve farm surplus headaches.

President Eisenhower has already stated that surplus farm commodities can be made available to peoples of Western Europe suffering from one of the coldest winters in decades. It is well to relieve distress in friendly nations. The surpluses should also be used to prevent distress from an emergency in this country.

Replying to a letter from us, Civil Defense Administrator, Val Peterson, indicated that the Department of Agriculture has been delegated authority to provide food for civil defense use. Let's not wait for distress to appear before action is taken.

Mr. HUMPHREY. Mr. President, I am happy to note that some people in this country are thinking about these matters.

Mr. President, these are ideas stirring out in our farm areas. Yet we have an administration down here in Washington that says it does not know what to do with our abundance. For shame.

For more than 3 years we have been calling attention of this administration to sound proposals for using our abundance. We have put them in legislative form. Yet always these people who say they do not know what to do with our surplus oppose every suggestion that anyone makes except themselves.

Yet by their outcries against surpluses they have created a serious problem for agriculture, more serious than at all necessary.

We now have a chance to deal with that problem, and we should deal with it soundly, basing our action on facts instead of fantasy.

This problem of so-called surpluses is not only one that has come to have considerable bearing upon our agricultural policy in general; it also has a bearing upon our foreign policy.

Nations around the world contemplate our plans and actions with hope as well as fear.

We can do a tremendous amount of good in our international relations with wise use of our abundance. We can do a tremendous amount of harm by plunging headlong into a hysteria of dumping in any form, even to make deals for votes.

Because of this international concern about what we do with our abundance, whether we use it constructively or negatively; whether we show the world we are concerned about people everywhere, or only concerned about dollars, it is of the utmost importance that we approach the problem with statesmanship and through careful analysis of the facts.

I have already mentioned that we should be grateful that our supply problem with respect to some agricultural products is one of abundance rather than one of scarcity. That needs to be re-emphasized. I do not think that there will be many people who would wish to quarrel with this view. Other countries would think we are mighty lucky. Russia would think it had a tremendous asset at its disposal, if it owned our food and fiber stocks. Yet, we want to get rid of them, even recklessly.

Second, I consider it unlikely that, in the long run, American farm products will really be in excessive supply.

Perhaps we will be hard put to feed Americans properly in the years ahead—to say nothing of filling the import requirements of other countries.

Hence, what we now have is not absolute surplus production, but production not well distributed over time.

Viewed in this light, I am quite sure that we should contemplate the surplus situation with much less alarm and uneasiness than have recently characterized public discussion of this problem.

We can turn our supposed surplus problem into a national asset and greatly ease the farm problem at the same time by four simple steps:

First. Lock up at least a minimum amount of key commodities in a national security reserve to protect us against any future emergency, really isolating such commodities from the market by specifically requiring they can only be released under Presidential proclamation that such an emergency exists.

Second. Making the most of creating additional domestic consumption

through adoption of a food-stamp plan or food-certificate plan to supplement the purchasing power for specified commodities of our aged, our dependent children, our blind and disabled, our unemployed, and our needy now existing on meager public assistance.

Third. Use our remaining expendable surpluses for the purpose of financing economic improvement and expansion abroad, or at least supplement our economic aid to raise levels of consumption and to relieve misery, thereby making our abundance an effective arm of our foreign policy.

I wish to point out that the State Department, in its requests for foreign economic aid, has yet to come before the Congress with a program encompassing needs of food and fiber to buttress the foreign aid. Actually, economic aid to some countries can be more harmful than helpful unless there is food and fiber to go along with the economic aid, because the economic aid would provide only a greater amount of purchasing power in that country to buy a static amount of food and fiber. Thereby the purchasers will compete with one another for the existing supplies of food and fiber, causing inflation and great economic trouble.

In this country we are apparently contemplating a 5-year program of aid to India. I want to say now that if we give economic aid to India and do not at the same time make available to India, under long-term credits, wheat and other foods, the Indian people will be in worse trouble after they get the aid than they were before they received it. Today the people of India have a subsistence level diet. It is contemplated that under the 5-year program, there will be employed 9 million more persons in India. These 9 million Indians employed on construction projects will be paid in Indian currency in the form of rupees. We are evidently going to make contributions to the cost of those construction projects, but if the 9 million Indians who are presently unemployed are to be paid wages in the form of rupees, and if they use those rupees to buy food and fiber, there will be a bidding up of the price of available food and fiber under present production, unless we couple our economic aid with a substantial amount of wheat, cotton, and other needed commodities. I think we need some economic planning on the part of our State Department, rather than some economic giving.

In view of the possibilities of crop failure anywhere in the world and of the dangers of the international situation, this country would be justified in setting aside large carryover reserves to be held securely for release in specific emergency situations only.

I again call attention to the disastrous winter suffered by Western Europe, and now the disastrous floods. So food and fiber are going to be extremely useful.

That should take care of some of the threat that now overhangs some of the markets. As for the rest, surplus disposal for additional consumption, at home and abroad, offers possibilities that have by no means been fully explored.

In fact, we have to this day been extremely unimaginative in the exploration of such possibilities.

The reason for this regrettable fact, apparently, is that in our surplus disposal activities we have proceeded without prior clear-cut analysis of the problem. Had such an analysis been given a chance, even the most enraged partisans of private enterprise and of business as usual would have understood that normal commercial demand can hardly be counted upon for substantial surplus disposal.

If we want to have genuine surplus disposal, we must seek to dispose of surpluses for additional consumption, at home or abroad—not just displacement by the Government of marketings that would otherwise be fully utilized by private enterprise.

It is characteristic that, in the administration's new farm program, the only suggestion relating to increased surplus disposal is to appoint a new administrator and to seek expanded opportunities to barter agricultural commodities for strategic materials, and to seek authority for selling Government stocks behind the Iron Curtain.

We can and must raise our sights higher.

Furthermore, I noticed the timidity of the administration with respect to the suggestion that we sell our Government stocks behind the Iron Curtain. The administration tossed that suggestion out and did not have the courage to press it. Why did the administration suggest it if it was not going to press it?

I want to discuss in further detail each of the three points I have enumerated as the basis for surplus disposal that would work without upsetting existing markets, and further depress farm prices.

The first point I mentioned was locking up at least a minimum amount of key commodities for national emergency. I have introduced a national security reserve amendment to provide for this purpose.

It is a moderate amendment, calling for starting out only with the amount of commodities already specified in the bill for inclusion in the so-called set-aside.

When the President's message of 1954 outlined the "set aside" idea, everyone thought its intended purpose was to really isolate some of our commodities from the market. That has not been done. The set-aside as it now exists is merely a bookkeeping device to avoid counting some of our commodities when we compute parity prices. It was a political device, not an economic device. The supply in the set-aside still has the same depressing effect on market prices as if no set-aside exists.

We must effectively neutralize a portion of our carryover stocks, to be held securely for release in specified situations only, genuine emergencies at home or abroad. The release of these commodities should be contingent upon a Presidential determination of the conditions that alone would permit such release. That is what my amendment provides.

Further, it requires the administration—any administration—to do what it should be doing anyway: to take an annual look at our national security needs, and inform the Congress at least once a year what level of supplies should be earmarked to be kept in the national security reserve, in the public's interest. Congress can then act upon that annual recommendation as it sees fit, but at least it will have some determinations upon which to base its action. We lack that today.

Really "locking up" our security reserves would effectively remove a sizable amount of our surpluses from the position in which they now overhang the markets of the world. It would be a real set-aside, not just a bookkeeping set-aside. Such security reserves would have an immediate effect upon the market, an effect which, by later disposal for only truly additional consumption or emergency use, could come only gradually over months or years, if and as success in such disposal becomes apparent.

The neutralization action would be a cornerstone for immediate relief in important markets.

It would leave the door open for any promising surplus disposal in the future that means additional consumption rather than displaced marketings, and impose no financial burden that we would not have to carry in any case.

I hope my national security reserve amendment can be adopted, to improve and strengthen the bill. I am convinced it is thoroughly justified by the facts we face.

The next point I mentioned in a sound surplus disposal plan was some form of stimulating additional domestic consumption, through a food-stamp plan. Note that I have said "additional consumption," not just displacing other marketings for existing consumption, as the administration seemed determined to do with its own surplus disposal ideas.

We are making progress along these lines with a food-stamp amendment to the social-security bill now before the Senate Finance Committee, as a supplement to any other small increase in cash assistance that may be provided our unfortunates. I am hopeful that amendment will be reported with an improved social-security bill. Hearings on it were held starting on Monday.

Mr. President, I wish to say that I have great confidence that the Finance Committee will report the so-called food-stamp program. There is nothing new about my support of a food-stamp plan. In fact, I am a cosponsor, with the Senator from Oklahoma [Mr. KERR], of the program now before the Senate Finance Committee; and I am also a cosponsor, along with the Senator from Vermont [Mr. AIKEN] and the Senator from North Dakota [Mr. YOUNG], of such a plan which now is before the Committee on Agriculture and Forestry.

Because the Finance Committee has jurisdiction over social security legislation, and has taken jurisdiction over this amendment, I feel that is the correct place for it, rather than to have it added as an amendment to this farm bill, without proper hearings.

There is nothing new about my support of a food-stamp plan. I have been advocating and supporting it for years—because it means additional consumption, among people who needed improved diets. It will bolster our economy, and will be an investment in public health.

Mr. President, as evidence of my continuing interest in the food-stamp idea for creating additional domestic consumption, I ask unanimous consent that my statement of testimony presented to the Senate Finance Committee on Monday be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY ON FOOD-STAMP PLAN AS AN AMENDMENT TO THE SOCIAL SECURITY BILL (H. R. 7225)

Mr. Chairman, I want to commend you for calling hearings on this vitally important amendment. Action by Congress has been too long delayed on some form of the food-stamp approach supplementing the diets of low-income families, both from the humanitarian standpoint of proper care for our citizens and from the standpoint of the economic sense it makes in view of some of our current farm problems.

It is strange, indeed, for a great democracy like ours to be complaining about having too much food we don't know what to do with—and yet at the same time have problems of lack of adequate diet in our midst, as a result of lack of purchasing power.

It must look more than strange, to other countries of the world. It must raise serious questions about our wisdom, our leadership, our ability to use the blessings bestowed upon us.

We should be mighty thankful that the age of nature-imposed scarcity is past. Mankind need not be doomed by nature to starvation for a part of its people every year, if mankind is wise enough to make proper use of its resources and its productive know-how.

In the United States, the farm productive power is abundantly and efficiently available to easily provide a fully adequate diet every day for every person within our borders.

Yet we are talking in Congress about cutting down that productive power, while unfortunate people in our midst are going without the necessities of life.

Conscience calls for a better answer.

For years I have advocated use of a food-stamp plan, both in periods of seriously depressed income and in periods of excess food production.

Along with Senator AIKEN, of Vermont, I have been cosponsoring for several years a domestic food-allotment plan still pending before the Senate Committee on Agriculture and Forestry, with little chance of action because of the opposition of the Department of Agriculture.

That opposition is strange indeed. It is not based on the fact use of food stamps would not stimulate consumption, and mean greater total markets for farm products. It is based entirely on the selfish fact that the Department would prefer trying to physically move the commodities it owns, rather than stimulate consumption to the point it won't have to take over as much surplus in the future.

Certainly, the Department is endeavoring to move surplus to meet human suffering and need by making some of its supplies available to local welfare boards and groups that request them.

But the truth is that most county welfare agencies are not adequately equipped to

handle physical stocks of foodstuffs, and welfare workers who understand the psychological as well as the physical needs of unfortunate people on public assistance know the advantage of trying to place such assistance programs on a better basis than a charitable handout of a package of beans or a sack of flour.

That's why we have developed social-security programs, to replace breadlines and soup kitchens of the depression years.

Both from a standpoint of operating efficiency and morale of people being assisted, use of food stamps as proposed in this amendment is far simpler, far easier to administer, and far more effective than bulk distribution of food supplies. And do not underestimate the importance of trying to preserve the self-respect and bolster the morale of people finding it necessary to turn to public assistance. It is only by so doing that we maintain a chance to get them back on their feet as productive and self-supporting members of our society.

When people are subjected to extreme hardship through no fault of their own—widows, suddenly left with a houseful of children to take care of; orphans, with no means of support other than the public's conscience; the blind, the aged, and the unemployed willing to work if work is available—it is morally wrong for any society to condemn them to the degradation of begging for a handout, or place a stigma upon them for accepting public assistance. It is even more morally wrong for that to happen in this great United States of America, which so proudly boasts of being a government with a heart, a government interested in its people, a government we parade before the rest of the world as an example of how the individual dignity of man should be respected.

Remember, the Constitution assigns as a duty to our Congress the responsibility to "promote the general welfare."

In caring for the less privileged in our midst, we are not only performing a humanitarian act but promoting the general welfare of our country.

When it appeared little action could be achieved in approaching this food-stamp idea entirely from the standpoint of its benefits to agriculture—and I personally believe they can and will be tremendous—I was proud and privileged to join with the Senator from Oklahoma [Mr. KERR] in developing and sponsoring the alternate legislation upon which this amendment is based. Many of our colleagues joined us as cosponsors.

While the original domestic food allotment plan was designed to be a more comprehensive plan of assuring adequate nutrition to all low-income families, our new approach was a more modified form of simply supplementing the aid being given those already certified as eligible for public assistance under the laws of our land through distribution of food certificates good for a specified amount of food products which have been designated as in surplus supply by the Secretary of Agriculture.

In a period of severely depressed national income, I believe the former approach would have reached more people and been more effective. In a period such as the present, where we enjoy a relatively high prosperity yet have unfortunate people in our midst unable to share in that prosperity and at the same time are confronted with a related problem of excess food production, I believe the approach now before this committee is the soundest and wisest course.

We need no new certification of who is eligible and who is not.

We need no new administrative machinery. Every State and county already have established welfare departments through which the certificates would be issued.

The recipients would merely turn them in at the food stores of their choice, which in

turn would deposit them with their own bank for redemption by the Government.

We would be making use of normal channels of trade for our food distribution, instead of trying to undertake the more costly procedures of physically handling bulk supplies of relief food stocks for direct distribution.

Every welfare official with whom I have consulted has expressed preference for the food stamp approach.

Welfare boards in counties of Minnesota have overwhelmingly gone on record in favor of such a program as this amendment would make possible.

No one can contend that the meager pitances made available to persons on public assistance today are fully adequate to provide them with proper living standards in accordance with conditions and living costs prevailing generally in our economy.

It is not and never has been my contention that use of food stamps should replace any of the cash assistance provided by law for designated categories of unfortunates. In fact, I want to emphasize that we should carefully guard against that happening. What our purpose has been, and still remains, is supplementing that minimum assistance with food certificates to make some better use of the abundant food supplies for which we do not now have a market in this country.

We must pay the bill one way or another. It makes sense to me to stimulate consumption of products in oversupply, at public expense, rather than later be compelled to have that same or more public expense involved in removing that surplus and storing it in warehouses.

Let's use our abundance to feed people, and at the same time to protect our agricultural economy. We can achieve both objectives without excessive costs. Most of the cost of any food stamp plan would eventually be costs diverted from other farm surplus diversion programs.

I know that some may argue the benefits to agriculture may appear more indirect than unloading surplus supplies from our warehouses, yet I am convinced the benefits would be very real and more lasting by increasing purchase demands of the normal food trade, in the long run reducing the necessity for the Government to accumulate surpluses.

The food-stamp idea is particularly adaptable to stimulating consumption of perishable products like pork, beef, and dairy products, for which existing farm programs provide inadequate protection.

The country has been ahead of the Congress in accepting this idea. It just does not make good sense to most people to have shouts about "too much food," on one hand, then see problems of hardship among underprivileged people unable to buy adequate amounts of food in their own communities.

I believe that farm families overwhelmingly support enactment of the food-stamp or similar program. They are convinced of its desirability not only because of the influence it would have in increase farm incomes. Farmers are convinced that food subsidies to low-income consumers are morally right on two counts:

1. Farmers believe that to allow farm productive capacity or produced food to be idle or go to waste if there are hungry people who need it is morally wrong if this can be prevented in some manner that will not bankrupt farmers in the process.

2. Farmers believe that everybody in America ought to have enough to eat, even though they are unable for some reason to earn enough income to pay for it.

Wallace's Farmer and Iowa Homestead has conducted a series of scientific opinion polls on this subject among farmers of Iowa, 2 of which were reported in the May 1, 1954, issue. In 1953 a scientific sample of Iowa

farm people were asked the following question:

"A dairy committee is recommending the following method of getting rid of Government supplies of butter and cheese. Issue stamps worth 50 cents on a pound of butter and 25 cents on a pound of cheese. Give stamps to folks on relief rolls, to hospitals, and to other institutions. What do you think of the proposal?"

On this the vote was:

Good idea:	Percent
Republicans.....	65
Democrats.....	69
Total.....	66

Bad idea:	Percent
Republicans.....	21
Democrats.....	17
Total.....	20

Undecided:	Percent
Republicans.....	14
Democrats.....	14
Total.....	14

In 1954 the following question was asked of Iowa farmers:

"Congress is considering a food-stamp program which would turn food surpluses over to the unemployed and those now getting public assistance. Do you think this is a good idea or a poor idea?"

Good idea:	Percent
Republicans.....	76
Democrats.....	76
Total.....	76

Poor idea:	Percent
Republicans.....	19
Democrats.....	19
Total.....	19

Undecided:	Percent
Republicans.....	5
Democrats.....	5
Total.....	5

The article concludes: "Farmers are apparently more interested in food stamps now than last year."

I would also like to present for the record a copy of an editorial from the March 6, 1954, issue of Wallace's Farmer and Iowa Homestead. Remember, this was 2 years ago. Headed, "Hungry Old People," it said:

"Too many old people go hungry—even in the United States. Too many children don't get nearly enough milk or meat.

"The Nation really has no surplus problem in meat and dairy products, even though warehouses are full of canned beef, butter, cheese, and dried milk.

"The only problem is to get this food to people who need it and should have it.

"Remember that we know the names and addresses of about 8 million people in the United States who can't buy as much of this food as they need. These are the people who have no income except what they get from Federal social security, or from Federal-State old-age pensions, or from local relief.

"Many of these are older people. Older folks, to keep healthy, need more meat, fish, cheese, milk, eggs than a lot of them are now getting. More protein and more calcium.

"What can be done about it? One easy step would be for Congress to adopt a part-way food-stamp plan. This could add a few dollars in stamps to the income of everybody now getting public assistance. These stamps could be used for dairy products, eggs, meat, fruit—the foods most needed.

"Such a step would cost more than the present storage problem, but it would put the food where it is needed. And it would

stop the present nonsense of stacking up butter, cheese, and canned meats without knowing what to do with it."

Two years ago, when this bill was introduced in its original form as S. 627, I presented on the floor of the Senate and had referred to this committee letters of approval and endorsement from the county welfare boards in Pope County, Cass County, Roseau County, Washington County, Hubbard County, Mille Lacs County, Anoka County, Nicollet County, Becker County, Hennepin County, Koochiching County, Freeborn County, Yellow Medicine County, Cottonwood County, and Sherburne County, Minn.

Mr. Chairman, a comprehensive study of Federal, State, and local government relations and responsibilities was completed last year by a Presidential commission, the Commission on Intergovernmental Relations. The Commission was the outgrowth of a proposal I introduced in the Congress. I had the privilege of serving on it. It was ably headed by Meyer Kestnbaum, now assigned to the White House staff in the hope of implementing some of its recommendations.

In its report to the President, that Commission recommended use of the food-stamp plan by our Government for handling distribution of surplus foods through normal commercial channels.

Mr. Chairman, I would like to place in your hearing record that official recommendation of a Commission appointed by President Eisenhower, taken from page 164 of its report, with the heading, "Commercial Handling of Food Surplus Donations."

"It is recommended that the Department of Agriculture and the Department of Health, Education, and Welfare jointly explore the possibility of distributing surplus agricultural commodities through commercial instead of governmental channels.

"The Commission has not examined the agricultural price-support operations of the National Government. However, the Commission believes that so long as large stocks of foodstuffs continue to be acquired as a result of these operations, such foodstuffs should be made available for human consumption in preference to letting them go to waste. The Commission further believes that such donations and distributions should be accomplished with a minimum of complexity at all levels of government. At present, National, State, and local governments are deeply involved in the physical handling of these foodstuffs, with accompanying complex intergovernmental fiscal and administrative relationships.

"The Commission is of the opinion that intergovernmental relationships in this area would be greatly simplified if distribution of foodstuffs destined for donation to individual recipients could be effected through commercial channels, through some such device as a locally operated certificate plan. Such a device would replace present complicated and expensive intergovernmental transactions in physical foodstuffs with a system of clerical and accounting transactions confined to certificates and funds; in other words, it would substitute a 'fiscal' system for a 'physical' system."

Mr. President, we are quite rightly sending surplus food abroad to help the underfed and starving of other lands. We should be doing more of it, as an important arm of our foreign policy—an effective way of showing that our democracy is concerned with people, not just power.

We are going to be doing more with this weapon for peace, in our foreign relations.

But I believe first of all we must explore new outlets at home, among our own people.

We must seek to get the food needed to people who cannot afford to buy it. We must make food distribution part of our farm programs to assure outlets for the abundance we are capable of producing, and the abun-

dance that we will need in years to come. And we should make food certificate or stamp distribution part of our welfare program, to supplement the ability of public-assistance recipients to achieve adequate diets.

All this amendment provides is certificates valued at \$10 per month for use in purchasing such supplies as the Secretary of Agriculture may designate as being in surplus supply.

Yet that can create a tremendous new market.

Eligible to participate would be present recipients of minimum assistance provided under the programs of old-age assistance, aid to dependent children, aid to the blind, or aid to the permanently and totally disabled, plus those certified within their States as eligible for unemployment compensation benefits and others certified by State or local welfare or public assistance agencies as eligible for assistance provided for the needy by laws of such State and local political subdivisions.

Let me emphasize what this would do to our economy, contrasted to other surplus disposal plans.

The \$10 added purchasing power for food would be provided for some 2,555,000 people now on old-age assistance, for 2,173,000 dependent children, for 105,000 blind, for 242,000 permanently disabled.

It would also be made available for the recipients of unemployment benefits, averaging 685,000 per week last year.

It would also be made available to an additional 297,000 persons now receiving State or local public assistance as needy persons, without Federal participation.

That means an added food purchasing power each month for some 6 million of our citizens.

Think what that will mean to our economy. Stimulated consumption through normal trade channels would bolster farm income and add materially to our gross national product.

It would greatly expand the volume of business handled by our food stores, adding more growth to our national economy.

But most of all it would add immeasurably to the health and well-being of people—of the aged, the orphans, and the blind.

No one contends that a permanent answer to the farm problem is giving away food. This is a temporary situation. Our growing population itself will use up all the food we can produce if we keep our economy prosperous and expanding.

Yet it is an opportunity to both make wiser use of our abundance, and to help our underprivileged at the same time.

We cannot pass this opportunity.

We need action now, and this is the kind of action that will help.

We need this food distribution program not just for the sake of farmers, but for the sake of the aged, the needy children, and the disabled. We need it to assure adequate diets for the less fortunate in our midst.

Can we long maintain our position as an example, holding forth our shining light to the rest of the world, if we complain about abundance while letting our own people go hungry?

Let us show that we care about people's stomachs. Let us be just as interested in full stomachs as we are interested in full cartridge belts. Let us take the constructive course of putting our food to us, rather than upsetting our farm economy by trying to make farmers quit producing while people in our own country lack enough to eat.

Mr. HUMPHREY. Mr. President, now I turn to the third point, one which I believe is perhaps the most important of all.

Just as real surplus-disposal domestically must be through additional consumption, rather than displaced con-

sumption, so must sound disposal through export be in addition to what we could otherwise export for dollars. It must not "impair the traditional competitive position of friendly countries," as the President said in his policy statement of September 9, 1954. The truly "additional consumption" that is required to meet the two conditions I have mentioned must therefore be a function of any surplus disposal action that we take in regard to exports.

How can additional consumption abroad be brought about? The possibilities are these: First, by expansion of real incomes in importing countries, beyond what they would be without our surplus disposal for export. Second, by displacement of other countries marketings or by displacement of other commodities in consumer expenditures. Third, through expansion of wholesale demand abroad for long-term stockpiling.

If our foreign relations means anything at all—and in these critical times they mean survival—we should dismiss entirely the idea of displacement as a goal for surplus disposal. We cannot keep friendly allies, if we deliberately aim to displace marketings of friendly countries. We might displace marketings of the Soviet bloc countries; but these are mostly small, in so far as the commodities in surplus are concerned. So for the purposes of this discussion, the idea of "displacement" can be ruled out.

We shall look, instead, at the other two possibilities: Expansion in real incomes abroad, and expansion of wholesale demand for stockpiling. Both offer interesting opportunities.

The President has called for prolonging and extending economic aid, and many of us want to support him. Others are seriously concerned about continually pouring dollars into such efforts. Our food abundance can be the answer. And it can provide the best answers in the areas most needing economic assistance, in the least prosperous and less-developed countries.

With respect to expansion in real incomes, we should note that, in the more prosperous countries, the income elasticity of demand for surplus-type agricultural products is very low, which means that, even if a donation of surpluses to such countries were to create additional income, this additional income would only to a small extent be spent on surplus-type agricultural products.

The situation is quite different in the case of underdeveloped countries. If real surplus disposal is possible only through truly additional consumption, it follows that surplus disposal must largely concentrate on poor countries. In poor countries, consumption of surplus-type products will increase if real incomes are raised. Of course, such an increase in real incomes can be brought about by exports from other countries only if these supplies can be used as capital in the sense of a "subsistence fund" for new investment, that is, if the proceeds of these exports are made available, by loan or by grant, for income-generating or income-development purposes.

How can exports of surplus-type commodities be used to raise real income in underdeveloped importing countries? In the overpopulated, underdeveloped areas, where unemployment and underemployment are widespread, increases in employment through investment schemes will raise incomes; most of the increase in incomes in those poor areas must go into increased expenditure for food, clothing, and shelter. Hence demand, especially for food and clothing, will rise, and can to some extent be satisfied by the imports of commodities whose local-currency proceeds will go into financing the very investment schemes that are the source of this additional demand.

It is true, of course, that the additional incomes generated by the use of the local currency counterpart for additional investment cannot all be expended in the wholesale demand for wheat, fats, and cotton; not even all of the additional retail demand will be spent on bread, fats, and clothing. But it is highly probable that the development assistance thus provided by a surplus-disposal scheme would make possible additional financing, from other sources, of investment projects which otherwise would not have been undertaken at all.

In regard to expansion of wholesale demand for stockpiling, we should note that the construction of storage facilities and the accumulation of reserve stocks in "cropcycle" or "famine" areas would also be an essential step toward economic development. Surplus funds from the United States would not only go a long way toward financing the cost of the construction of strategically-situated storage space, but they could also make an important direct contribution to providing the stocks which should be held as an emergency reserve in other areas. Moreover, if storage space were available, the local government's task of dealing with domestic surpluses in years of good crops would be vastly facilitated, and in years of abundance our surpluses would become the blessing they should be, instead of an embarrassment, such as they are now.

Somehow, it would seem only logical to have some of the world's surplus holdings shifted to areas where the failure of a crop means famine, and where people live on the brink of disaster from one harvest to the next. Aside from stocks such as these, the question of strategic security reserves of food located and firmly held abroad, for our own use, should also deserve our attention.

The idea of world stockpiles against famine is neither new nor unrealistic. The Food and Agriculture Organization of the United Nations has long looked with favor on some such approach.

We have before the Senate two measures—and I am privileged to be a cosponsor of one of them—calling for the United States to assert its leadership in the creation of an international food and fiber reserve through the United Nations, or a world food bank. A subcommittee of the Senate Committee on Foreign Relations, for which I have been named chairman, intends to hold hearings on these proposals later this year. I hope we can serve notice to the world

that we want to use our abundance for the world's good, as a powerful weapon for peace.

Perhaps the Soviet has taken the initiative from us on its new "economic offensive" around the world. But what could its answer be if we walked into the United Nations and said, "Look, there are a lot of hungry people in the world. We in the United States are concerned about them. Our efficient democracy is able to produce enough food to help them. We will do our part by making some of our food abundance available. Will Soviet Russia, after all its propaganda about concern for underprivileged people, meet us halfway?"

Mr. President, I think that would be a great day—when our country really took hold of something, and when our representatives walked into the United Nations and challenged the Soviet Union to meet us halfway. We have the goods with which to do that, Mr. President. The trouble is that the administration does not have the necessary determination.

Who do you think would have the initiative then, Mr. President? Who do you think would be winning the greatest respect among swaying peoples in neutral nations of the world, the uncertain pawns who may yet decide this battle of ideologies one way or the other?

That is the kind of vision I should like to see displayed in connection with our surplus-disposal thinking. But there is even more that could be done on our own in further strengthening our foreign policy.

I should like to give a few concrete examples of the kind of action we should explore.

Some concrete illustrative projects are discussed in a recent study by the Food and Agriculture Organization of the United Nations on the uses of surpluses for economic development. This Pilot Study on India was commended as an example of preparatory work by the eighth session of the FAO Conference; and the Conference called the attention of member governments to the possibility of using surpluses of farm products to assist the financing of development additional to that which would otherwise be undertaken.

Labor-intensive projects of road construction, irrigation, reforestation, and erosion control, and the provision of storage space for the very much needed larger food reserves in crop-cycle areas, above all, deserve attention.

If there is one line of investment suitable, par excellence, for foreign assistance through grant or long-term low-interest loans, it is the type of social overhead investment as represented by transport facilities, such as roads and canals, and by reforestation and erosion control, especially in drainage basins and watersheds. Social overhead investment cannot be expected to be self-liquidating in the sense of private business accounting; yet, its social productivity is of prime importance, and goes far in making other investment profitable, opening up the growing economic development to an era of increasing returns.

It is the great need for expenditure on the social overhead type of investment which, in an underdeveloped country, keeps the capital-output ratio down, if aggregate investment in the economy is compared with aggregate returns over the years. Assistance for social overhead investment is, therefore, of especial significance. And it so happens that the high labor-intensity of projects of this type and the resultant great possibility for domestic credit-financing of the residual investment costs make them particularly suited to financing of the basic major costs through foreign surplus foods.

The possibilities of surplus disposal for economic development and economic betterment in underdeveloped countries are by no means negligible—always provided that we set our minds to it and are determined to put into operation a bold new program.

Mr. President, consider only the real situation in the less developed countries. A very large share of the populace lives in hunger, ill-health, and misery. Although governments make valiant efforts at improvement of these conditions, their means are limited. They are anxious to employ idle peoples' energies and thoughts in productive activities that create and solidify society.

If such governments were sure to have the means of paying for the needed labor and equipment, they would formulate work projects for community development on which those idle people could find useful employment. Much of the people in those areas live in an appalling physical environment. The average village lacks roads, wells for drinking water, schools, community rooms, and decent dwellings. What are needed are, for the most part, labor and the food and clothing that the workers must have if they are to do the work.

This is why surpluses of agricultural products can finance much of the cost of projects of this kind. As for the rest, our economic aid in terms of cash or industrial equipment, or private investment policy, and the financing activities of the World Bank, the International Finance Corporation, and other international and national finance and aid operations could be coordinated with our aid in terms of surplus farm products.

Or let us consider another area of action which might be explored. In large-scale population transfers, people are being uprooted, and they cannot produce until they are firmly settled in their new environment. In some parts of the world, such large-scale transfers of population are very much needed. Large-scale population transfers, for example, from overpopulated Java to Sumatra, Borneo, and Celebes, are an absolute necessity for the survival of the 50 million people of Java and for the accelerated economic development of the other islands.

Such a transfer has been on the agenda of every government in that part of the world since the early part of the century; and today that is also true of the government of now independent Indonesia. There are, of course, prob-

lems; but the scheme could be gotten under way if surplus food were made available to finance it. During the first year or two, the settlers would produce no food. An investment in 1 or 2 years' consumption would be fully justified for a large-scale transmigration program. Present programs for moving 2 million people from Java within 5 years are ultra-conservative, and could be liberalized if finance through surplus food were available. Within a few years, 10 million people might be involved.

The above schemes will require mainly food, but also some cotton to make the work clothes of the vast development armies that could be mobilized. Over and above that, special cotton programs might also be explored, for the benefit of millions and millions of people in those areas. A cotton-stuffed mattress for those who most urgently need one is not so absurd a scheme as it has been made out to be, nor is it so fantastic to assume that much could still be done to provide more adequate hospital supplies—hospital mattresses, hospital linen, hospital clothes for doctors, nurses, and patients—in many countries of Asia, Africa, and Latin America.

If we mobilize the ingenuity of our and other countries' charitable organizations, and if we pursue our purpose with fervor and earnestness, we shall set an example of how to tackle the paradox of poverty amidst plenty.

What is holding us back?

Using our expendable surpluses for grains or loans as emergency reserves in crop-cycle areas, for aid to economic development projects in poor countries, and for outright charity, could contribute measurably to the liquidation of our so-called surplus stocks. At the same time, the assistance thus given to other countries could bring valuable benefits for our foreign policy and security.

This is precisely what our existing surplus legislation contemplated: if we cannot market the surpluses for an economic-resource return, we should use them in some other way for the good of our country.

The preamble to the Agricultural Trade Development and Assistance Act of 1954—Public Law 480—and the President's policy statement of September 9, 1954, make that perfectly clear.

As to the pure economics of the process of surplus giveaway, let me add a note: While the American economy would profit if we could suddenly sell our surpluses abroad for things we need, it would not lose anything if the surpluses were to be given away, for the costs of these surpluses were incurred in their production—in the expenditures for land, labor, equipment, fertilizer, and the other elements of production—at the time when they were produced.

Since physical output can never be borrowed from the future, and therefore cannot encumber our future work or standard of living—contrary to the myths that have been built around the significance of the public debt that is owed by one part of our society to another—the sacrifice has already been

made, and no additional sacrifice is implied in the giveaway.

As a result, any return in terms of foreign policy, security, and international tranquillity will, for the United States, be a net gain in present circumstances.

These are the insights that our bureaucrats must get through their heads before they can successfully administer a disposal program that makes sense. Had they not clung to a narrow-minded, unrealistic, and utterly unimaginative interpretation of existing legislation, we would not be faced with the need of having to do their homework right here in the Congress.

At every turn of the road, our bureaucrats had to be pushed into taking the curve.

By liberalizing their actions "too little and too late," by granting reluctantly and belatedly what was bound to be granted in the end, they deprived the people of the United States of the foreign policy benefits of its generosity.

This is the attitude that has cost us dearly in our foreign relations.

A grant of \$1 million by the shrewd Soviets, with no strings attached, has counted heavily in their favor—a grant of 1 billion by the United States is received with indifference because we have acted as if our aid were the cake and we wanted the other country to eat but at the same time wanted to have ourselves.

The attitude of a grocery clerk is ill-suited for world leadership, and there can be no penny-pinching approach to the great and historic role that fate has cast for this powerful country.

In conclusion of this portion of my remarks, let me outline the steps that should be taken to realize greater benefits from export surplus disposal than have so far been provided.

First, we should solemnly declare our determination to use expendable surpluses for the purpose of financing economic improvement and expansion abroad—to raise levels of consumption and to relieve misery. Since such help would mobilize additional consuming power, it would not disturb the commercial interest of our friends and neighbors. We should declare our readiness to assist underdeveloped countries to put into operation projects of economic development and community betterment—to help finance such projects with surplus food for additional consumption and to coordinate this aid with our other grants and loans, with those of international bodies, and with the aid forthcoming from other nations. We should solemnly declare that any project that meets the requirements of FAO's Pilot Study in India will have our sympathetic consideration. We need not be afraid of being overrun with projects; on the contrary, our fear must be that foreign governments will be too conservative in their proposals. We should declare that we stand ready to relieve food needs in countries hit by crop failure, and to finance with food supplies the transfers, when realistically contemplated, of populations from overpopulated areas to areas of greater resource scope.

Second, we should declare that we stand ready to use our surplus of cotton

for the relief of distress and misery if realistic projects of improvements in living standards, sanitation, and hospitalization can be devised.

Third, and last, the Congress should require that our aid and disposal programs be administered in the realization that surplus disposal is foreign policy, not business that will yield an immediate economic return. On policy matters of this scope we cannot afford to take a subaltern and pedestrian approach, or one of narrow-minded sectional interests, since they concern issues of the greatest importance to the security and welfare of this Nation.

If we move promptly and with unequivocal intent along the line that I have indicated, there will be an immediate improvement in the markets of agricultural products.

There will be no need for panicky measures that frighten our friends, elate our enemies, and damage our own interest in stable markets for agricultural products.

Let us not magnify the problem of surpluses accumulated in the past as if they were the essence of our farm problem.

Let us use these surpluses, from which we can derive no other benefits, as a cushion for possible future adversity and, in consultation with our friends, for the advancement and security of less fortunate peoples.

Let it not be said that a nation of great power and great heart was found wanting in vision, in clear thinking and in courage.

HOG-MARKETING PREMIUM PAYMENTS

Mr. President, I wish now to discuss some of the amendments which I intend to offer. Let me refer first to the hog-marketing premium-payments amendment.

Mr. President, I have mentioned the lack of any effective assistance in this bill to aid hard-pressed hog producers, and my intention to seek amending it for that purpose.

Let me discuss the hog situation.

Hog prices received by farmers during December were \$10.60 or 50 percent of parity.

That is one-half what it costs for the hog farmer to live and produce those hogs and show a return for his efforts.

Prices rallied very slightly in January, and only moderately in February.

The lull between marketing peaks is now over, and some of the fall pig crop is beginning to move into the markets.

With large hog numbers on our farms and large supplies of cheap feed, it is difficult to foresee any major improvement in the market prices this year unless we in the Congress take some action.

Any legislative program which we adopt should aim at certain desirable objectives and aim to avoid certain undesirable features.

Let me explain what the program I have proposed attempts to do, and what it specifically does not do.

A sound hog stabilization program should aim at these objectives which are included in my amendment:

First. To avoid "boom and bust" cycles in production and prices.

Second. Assure stable returns for the hog producer.

Third. Assure stable supplies at fair prices for the consumer.

Fourth. Encourage the raising and marketing of leaner, more desirable pork and thereby promote greater consumption of pork products.

Fifth. Maintain the productive capacity of our hog industry.

Sixth. Encourage the marketing of supplies in line with probable demand.

Seventh. Accomplish this stabilization at a moderate annual cost.

Eighth. Make the incentive payments only to the producer who has cooperated in keeping supplies in line with demand.

Let me also explain what the amendment I have offered does not propose to do, lest anyone be inclined, as the Department of Agriculture was the other day, to criticize the plan for features which it does not even contain.

First. This plan contains no provision for quotas, controls, or regimentation of the individual producer, and it makes any such controls unnecessary. It is a preventive plan to cutback production through incentives—it does not wait until it is too late and then invoke quotas or allotments.

Second. It avoids pegging of the market prices.

Third. It avoids reducing our national hog plant by such methods as killing brood sows or little pigs.

Fourth. It avoids Government processing, packing, or storing of pork products.

RETURNS TO THE HOG PRODUCER

The long-run effect of the incentive payment plan would be to assure that prices received by farmers for hogs would be at or near 90 percent of parity.

The incentive payment plan provides for payments of from \$1 to \$3 per hundredweight.

Of course, if prices were badly depressed at the time the incentive program was launched, it would take some time to cut down the volume sufficiently to rally the price.

However, in 1955, we had a surplus of only 6 percent when measured by hog marketings and only 2 percent by actual volume of dressed pork produced. Therefore, only a relatively small cutback would be needed to rectify the overrun.

It is estimated that a cut of 800 million pounds of pork volume would have rallied the price to 90 percent of parity.

To do this a sufficient incentive payment would have been needed to attract 33 million hogs to market at 200 pounds or less. Had all 74 million head of hogs come to market at less than 200 pounds, the pork volume would have been cut by 16 percent, which shows to what extent volume could be reduced by incentives, voluntarily and without controls.

Once the major adjustment in supply had been made, the program would tend to regulate itself, for if too many pigs were being raised, or if the price weakened below 90 percent of parity, the incentive payments would continuously be cutting back the pork volume.

The farmer would find it advisable to cooperate because the market price, together with the incentive payment would

tend to give him a return in the neighborhood of 90 to 100 percent of parity. When supply and price were in order, then the premium plan would not be needed.

These projections are on the conservative side since no evaluation is placed upon the effect which the leaner pork may have in increasing consumer demand and farmer's prices. This effect may be very substantial, and, if so, it would reduce the cost of the incentive payment program.

HOW IT WOULD WORK

We do not have a great surplus of pork at the present time. However, even a small surplus can break the market price, just as with other commodities where a surplus as small as 5 percent can break the market.

For perishable products, which do not lend themselves very well to long-time storage, the problem is to develop a self-regulating plan which will determine the amount of the commodity placed on the market without invoking any controls upon the individual producer.

The plan for incentive payments to encourage marketing of hogs at prime weights is such a plan. It depends for its effectiveness upon incentives instead of controls.

As proposed, the plan would require the Secretary of Agriculture to put into effect the incentive-payment plan whenever either of two conditions are found to exist: First, whenever the annual pig crop exceeds the average annual pig crop for the preceding 10-year period; or, second, whenever the national average price received by farmers falls below 90 percent of parity.

Once launched, the program would remain in effect for as long as the surplus threat or low prices continued to exist.

The Secretary of Agriculture would be authorized and directed to offer premium payments of not less than \$1 per hundredweight and not more than \$3 per hundredweight on hogs marketed at 200 pounds or less. While he would have discretionary authority to offer the full \$3 per hundredweight incentive at any time he deemed proper, it would be mandatory that he maintain at least \$1 per hundredweight premium payment when farmers' prices are between 85 and 89 percent of parity; at least \$2 per hundredweight when farmers' prices are between 80 and 84 percent of parity; at least \$3 when farmers' prices are below 80 percent of parity.

HOW IT WOULD REGULATE PORK VOLUME

In 1955, the average hog went to market at 240 pounds, producing a total volume of dressed pork of 10.8 billion pounds.

If the average hog had gone to market at 200 pounds, the 40 pounds less of live weight would have meant 24 less pounds of pork meat per animal. Had this been true, the total pork production would have been 9.1 billion pounds, well below the amount necessary to have moved at above 90 percent of parity prices.

An analysis of pork production and prices during the period from 1920 to 1940 shows the sensitiveness of the market to even a small surplus. Several

things are apparent from such a study:

First. Prices suffer disastrously when there is even a moderate increase of marketings.

Second. Prices are weak when supply is about equal to demand.

Third. Prices begin to approach 90 percent of parity when supply is about 4 percent short of the total disappearance of pork products during the preceding 5-year period.

Fourth. Prices do not reach 100 percent of parity until the supply is about 10 to 12 percent short of average marketings in preceding 5 years.

Since the total disappearance of pork products from 1950-54 averaged 10.4 billion pounds, it is apparent that the 1955 production was somewhat above average marketings.

Using the rule, found to be accurate above, the 1955 production would have needed to have been cut back to a point about 4 percent below the base period average in order to bring about 90 percent of parity prices in the open market.

Expectations would be that farmers would have received 90 percent of parity market prices if the pork volume had been some 800 million pounds smaller or about a total of 10 billion pounds.

A cut of 800 million pounds of pork could be achieved in 1 of 2 ways:

First. By a system of hog controls or quotas to reduce the marketings by some 6 million hogs. This would make it necessary to regiment farmers and tell them they would have to cut their marketings by 8 percent.

Second. By a system of incentive payments to bring hogs to market at 200 pounds. There would be no controls, no dictation to the farmer—he would receive the incentive payment if he cooperated, but he would not be forced to cooperate.

The latter alternative seems far more sensible, and it is what I propose.

In judging the need for this hog marketing premium payment plan, we first need to size up the problem that is facing us.

Somewhere between 75 to 77 million hogs are coming to market in 1956. During 1955, we had 74 million hogs come to market from a fall and spring pig crop of 91 millions.

The pig crop from last fall and the farrowings this spring are expected to result in a total pig crop of 94 million, from which the marketings will run larger than last year.

In dollars and cents, hog prices in December and January were the lowest on record since 1941. In terms of parity, they have not been lower since the great depression.

Starting the year as we have with these low prices, and with large numbers of hogs and plentiful feed on hand, we are facing a continued, serious hog price situation.

I do not think we should sit idly by, leaving the hog producers in this situation, and excusing our inaction by saying that any aid would tend to encourage production.

It is clear to me that the Secretary feels we have too many hogs and too

many people in the hog business and that the way to make the adjustment is through hardship and bankruptcy—that any real aid to farmers has to be avoided because it might keep someone in the hog business who is just about ready to give up.

I do not subscribe to the policy of production adjustments through bankruptcy and hardship.

The pork surplus is not unmanageable. It can be remedied through hog marketing premium payments in a way that will encourage better pork quality and act as a preventative against recurrence of such oversupplies.

Let me give the picture of the hog cycles and the price extremes we have had during the past 10 years.

During this period prices have ranged from as high as 127 percent of parity to as low as 50 percent of parity. We have had three complete "boom-and-bust" cycles in that 10-year period—and it took only about 20 months to go from the \$27 figure in 1954 to the \$10 figure in 1955.

In the boom-and-bust cycles, the price always swings in a wider arc than the production. From 1945 to the present day, pork production has not been more than 8 percent above normal in any year and not more than 6 percent below normal in any year, yet the prices have run all the way up to 127 percent of parity and all the way down to 50 percent of parity.

Since the surplus is not unmanageable, we ought to have the intelligence to devise ways to level off these price fluctuations. That is what we are trying to do in this amendment.

Mr. President, I ask unanimous consent to insert in the RECORD at this point a tabulation of production and prices during the cycles to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Hog cycles and price extremes

Year	National pork production	Percent above or below normal ¹	Price extremes in cycles	
			Month	Price
	<i>Million pounds</i>			
1945	10.6	+1	January	13.80
1946	11.1	+4	do	14.10
1947	10.5	-1	October	27.10
1948	10.0	-4	September	27.40
1949	10.2	-3	December	14.80
1950	10.7	+1	August	21.70
1951	11.4	+7	October	20.20
1952	11.5	+8	December	16.10
1953	10.0	-4	September	23.90
1954	9.9	-6	April	26.50
1955	10.8	+2	December	10.60

¹ 10-year average production from 1945 through 1954: 10.6 million pounds.

Mr. HUMPHREY. It is no satisfaction to the hog producer to have \$27 hogs at one time, if he knows that \$9 hogs will follow in another year as sure as night follows the day.

And certainly the wide fluctuations in price and supply repel the consumer and prevent a gain in the consumption of this very important and healthful food product.

It is no consolation to the hog raiser to be told this year that if he perseveres

long enough under \$10 to \$12 hog prices, eventually enough other producers will be bankrupted or discouraged so that we will swing over to the shortage end of the cycle and he can again briefly enjoy above-parity prices.

PREVENTION OR CURE

Considering the small variation which we have had in pork supplies along with the wide swings in hog prices, would it not be wiser to seek to avoid the moderate overrun rather than try to remedy its consequences after it happens?

The preventive is always cheaper than the cure.

We can make the adjustment in oversupply this year by attracting some 25 to 30 million hogs to market at 200 pounds instead of coming to market at the normal 240 pounds.

This would cost the Government somewhere between \$150 and \$200 million.

With supply in closer relation to probable demand, the market level would strengthen appreciably.

Contrast this with waiting until the damage has been done to the markets and then coming along, after the farmers have marketed many of their hogs, and take the cheap hogs off the packer's hand through a surplus-removal program.

Senators need not be reminded what has been accomplished so far by the administration's pork-buying program. They have heard that it is to be expanded. What is holding back the expansion? Nothing at all. Secretary Benson does not need authorization of more funds. He had more than \$400 million during the past year which he could have used, but he chose only to use a part of the \$85 million during the most critical part of the market break.

It is estimated that it would take more than \$400 million in surplus removal operations to achieve the same effect which we would accomplish with hog marketing premium payments for about \$150 to \$200 million.

And the hog raiser would get the benefit of the program, where he shares in the benefits of the surplus removal very sparingly if at all.

What caused hog prices to go down? Some of us have been warning ever since the chiseling began on feed grain prices and later when corn was put on the sliding scale, that cheap feed would result eventually in cheap livestock.

Apparently, the Department of Agriculture did not believe in that well-known axiom, and perhaps it still does not, because it is recommending policies which would result in still more cheap feed.

But it does admit here and there that there is a connection between cheap grain and cheap livestock.

In his appearance February 1 at Austin in my home State, Secretary Benson asked, "What caused hog prices to go down?" His own reply was "heavy feed grain production." Yet his own policy of lowering prices on feed grains has forced production up.

We have seen oat prices drop 32 percent since August 1952, with production going up 28 percent. We have seen rye

prices go down 33 percent since 1952 while production is up 75 percent. Barley prices are down 36 percent while production is up 70 percent. Soybean prices are down 28 percent while production is up 32 percent.

With production going up 1 or 2 percent for every percent of drop in price, it should be very simple for someone to calculate how long it will take for surpluses to melt away under present policies.

What happens if we get too many hogs at 200 pounds?

When I proposed this plan as an amendment in the Senate Committee, the Department of Agriculture opposed it on the grounds that it would stimulate hog production far beyond our needs.

It is difficult for me to visualize how a plan which has the main objective of cutting back the pork volume is going to result in too much pork.

I agree that it is possible that if hog prices were to be stabilized at 90 percent of parity while everything else was allowed to drift along at disaster levels, we might find many farmers shifting over into hogs.

Keep corn at 67 percent of parity as it now is in the market, oats at 74 percent, barley at 69 percent, and beef cattle at 66 percent while you are keeping hogs at 90 percent and you will attract some farmers into the hog business.

Put fair prices on one item and Benson prices on everything else and there is only one result to expect.

However, I am not proposing this hog plan as a component of a bankruptcy-level flexible support plan.

I am proposing it as an amendment to a 90 percent of parity bill under which we have some chance to achieve balanced production in this country.

If we have a balanced system of supports, keeping corn at a mandatory 90 percent level based on old parity with proportionate supports on the feed grains and increased supports on such alternative commodities as dairy products, then we are going to have balanced production. Hogs at 90 percent of parity will not stimulate production out of proportion to the historic patterns.

One other factor will be at work under the hog plan which will tend to prevent a surplus of hogs at the light weights. That factor is the increase which we will gain by having a better pork product on the market. Pork consumption per capita is well below the rate at which it has been in some recent years.

Secretary Benson, in an appearance at Austin, Minn., on February 1, asked an audience—

What would your guess be as to the price of pork today if all hog producers were giving the housewives exactly the kind of pork they want?

Then he went on later to say:

The percentage of consumer income spent for pork has declined from 2.5 percent in 1949 to 1.9 percent in 1955, that is a drop of 25 percent. If all producers had moved more rapidly to the meat-type hog . . . this need not have happened.

If we believe in the quality theory about pork consumption, then we must agree that the hog marketing premium

payments plan is going to help in a very substantial way to build new markets. So the plan would do two things—it would reduce the oversupply and it assures that what is on the market is of good quality.

Can we afford to do nothing? I ask my colleagues—if we could have such a dislocation of market prices last fall and winter with only a 2 percent greater supply of dressed pork than normal, what are we going to have when the extra 4 million hogs from last fall's pig crop hits the market?

We are starting the year with the lowest hog prices we have had since 1941. The spring marketings, from the fall pig crop, will be 4 percent greater than a year ago, the marketings for this year will still be 3 percent greater even if the spring farrowings drop slightly as is now expected. We have a large supply of cheap feed.

All of this points to more trouble on hog prices unless we in the Congress take action.

I think it is very optimistic to hope that we can attain an average of \$15 per hundred in the open market for the year.

On January 15th, the average price received by farmers for hogs was \$10.90, or 51 percent of parity. The February 15 average price may perhaps run \$12 to \$12.50. If so, it would be about 57 to 59 percent of parity.

With more hogs and cheap feed, is any Senator willing to predict anything but \$13 to \$15 hogs at best for the year? If we do nothing that is the best we can expect.

Are we going to leave the hog producers of this country in such a situation when the remedy is so simple, so sure and so economical as compared with our present fruitless surplus removal measures?

I say today that we can accept the low prices and the theory of production adjustment by bankruptcy, but we do not have to accept it. There is an alternative in the hog marketing premium payments and it is an alternative that can do some real good at once.

Some of my colleagues may have listened to Secretary Benson, perhaps they have listened to some of his hand-picked processor advisers saying that nothing should be done about the low prices because it might interfere with a needed adjustment.

Maybe they are content to tell their farmers that it is too bad, but hog prices will have to stay at \$13 to \$15.

I am not, because I know the oversupply is small. I know the adjustment can be made within a few months through the incentive payments for marketing light weights.

I know that it will really mean something in Minnesota to get the supply situation straightened out and get the prices on the way up.

It will mean at least \$4 a hundred-weight on some 5 million hogs—it will mean \$30 million more income for Minnesota hog raisers and a much sounder market condition with better quality pork on the market.

I can imagine what it will mean in Iowa, which has three times as many hogs as Minnesota.

I can see that it would be important in Illinois, which has twice as many hogs as Minnesota, and in Indiana, which has about 10 percent more hogs than Minnesota.

I know that it would be tremendously helpful in Missouri and Ohio which have almost as many hogs as my State.

The Senate can act as it sees fit on this matter, but it cannot say there was not a workable and economical plan at hand.

Mr. President, I ask unanimous consent to have two more tabulations inserted in the RECORD at this point, 1 on expected results of this program in 10 leading hog States and the other on per capita consumption of pork.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

State	[In millions]			
	Probable marketings 1956 (head)	Gain to farmers through increase of dollars per hundred-weight in market prices	Hog marketing premium payments to farmers	Total gain for State
Iowa.....	17.5	\$140	\$33	\$173
Illinois.....	9.1	72	18	90
Indiana.....	6.6	52	13	65
Minnesota.....	5.0	40	10	50
Missouri.....	5.0	40	10	50
Ohio.....	4.6	36	9	45
Nebraska.....	3.2	26	6	32
Wisconsin.....	2.5	20	4	24
South Dakota.....	1.9	15	3	18
Georgia.....	1.4	11	2	13
United States.....	75.0	600	150	750

Consumption of pork (excluding lard), per capita		Pounds
1945.....		65.7
1946.....		74.9
1947.....		68.6
1948.....		66.8
1949.....		66.8
1950.....		68.1
1951.....		70.6
1952.....		71.6
1953.....		62.9
1954.....		59.7
1955 ¹		66
10-year average (1945-54).....		67.5

¹ Preliminary.

PROBABLE PROGRAM RESULTS IN 10 LEADING HOG STATES

Mr. HUMPHREY. This table is based upon the probable marketings from the several States. Assuming, in accordance with the United States Department of Agriculture outlook report, that hogs would average about \$15 per hundred in the open market for 1956, farmers would have an income slightly lower than in 1955 from the hog marketings. However, under the hog marketing premium payment plan, it is estimated that if one-third of the Nation's hogs were attracted to market at 200 pounds instead of 240 pounds, we would have a sufficient cutback in pork volume to

bring market prices up to \$19 or 90 percent of parity.

In the table, column 2 shows the net gain to farmers in each State by having \$19 average prices instead of \$15 average prices.

Column 3 shows the amount of premium payments going to each State assuming that such payments will be made upon about one-third of the hogs marketed.

Column 4 shows the total gains to farmers in the States through operation of the hog marketing premium payment plan in 1956 if it can be put into operation at once.

Mr. President, in all good faith I have attempted to get a realistic analysis of this proposal from the Department of Agriculture.

My proposal was submitted to the Under Secretary and other aides from the Department of Agriculture the day I outlined it to our Senate committee. We asked for the Department's views.

Instead of getting an analysis, we got an opinionated statement showing complete ignorance of what was in the proposed amendment.

Mr. President, I would like to ask unanimous consent at this time to have placed at this point in the RECORD the statement the Department of Agriculture gave to our committee opposing this amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT CONCERNING PROPOSED LEGISLATION ON HOG MARKETING PREMIUM PAYMENTS

The Department is in sympathy with the overall objective of better incomes for hog producers during periods of depressed prices.

However, we cannot concur in the proposed legislation for the following principal reasons:

Permitting prices of hogs to seek their own levels in the market with the taxpayers then making up the difference to producers between the market price and the specified levels in the proposed legislation would have several undesirable effects which would tend to outweigh the advantages to be gained.

Compensatory or incentive payments if applied to one segment of agriculture, such as the hog industry, would probably lead to similar requests from other segments of agriculture and possibly nonagricultural segments of the economy.

The added income poured into the hog industry would likely stimulate hog production far beyond our needs and tend to result in a self-perpetuating condition.

Making payments above the market level for hogs of limited weight ranges, as provided for, could lead to the need for annual production quotas, down even to individual producers. It is difficult for us to foresee how the direct payment program could be put into effect without having these results.

A direct payment program such as suggested would tend to make the hog business a closed business since the rights to produce under such a program would have to be restricted to avoid upsetting the annual quota which could be marketed. An additional factor adverse to such a program would be the likelihood that the windfall earnings resulting from payments above the market price would to a considerable extent be capitalized into farm values.

Of course, these serious consequences for farmers would not show up immediately, but their probable effects would nevertheless face agriculture over the longer period.

The cost of undertaking the proposed compensatory payment program to hog producers would be high even with the limitations provided for. The cost of the program, for example, under price and production conditions of this season would be in the order of approximately \$6.00 per head of hogs on which the payments would be made. The payment program would provide a strong incentive for producers to market hogs at weights under 200 pounds and, therefore, the volume of hogs usually marketed at the lighter weights is not an appropriate guide to measure such costs. If, say, 50 percent of the hogs expected to be slaughtered in commercial establishments this year would be in the lighter weight range provided for, the costs of the program payments during one season would amount to 200 to 240 million dollars.

We feel that farmers should be encouraged to market their hogs at lighter weights than under recent conditions, but we should not wish to recommend that hogs be marketed for slaughter at less than 180 pounds. Moreover, there would be serious administrative difficulties of enforcing the weight limitations under such a program.

The provision authorizing funds to conduct the proposed program would not appear to be in keeping with the objectives of legislation providing for section 32 programs, particularly inasmuch as the direct payments would utilize much if not all of the section 32 funds available, thus leaving little or no section 32 funds for any other commodities.

The proposed legislation not only authorizes but directs the Secretary to make payments to hog producers under certain conditions. It would be undesirable to require such a payment program especially under the limited conditions outlined. Other conditions affect the welfare of hog producers to a considerable extent and the Secretary of Agriculture needs administrative latitude as to the undertaking of a program such as this.

This proposal would, during a period of seasonally and cyclically heavy marketings, bring additional supplies to an overburdened market by encouraging marketing of hogs earlier than normal (at lighter weight).

Mr. HUMPHREY. I repeat, that is a completely misleading report that objects to things that are not even in the amendment. Yet it served the Department's purpose, by confusing the committee enough to defer action on this proposal.

Subsequently, Mr. President, I made a new try to get some fair consideration from the Department of Agriculture. All I asked was an objective analysis of my amendment, not their views on what they think are my views, not something dreamed up out of their own limited imaginations.

Mr. President, I ask unanimous consent to place in the RECORD a copy of a letter I sent the Secretary of Agriculture on February 14, calling attention to this misleading report and asking that somebody read the amendment before commenting upon it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 14, 1956.

HON. EZRA TAFT BENSON,
Secretary of Agriculture, United States
Department of Agriculture, Wash-
ington, D. C.

DEAR MR. SECRETARY: I wish to call your attention to the report submitted by your Department to the Senate Committee on Agriculture, entitled "Statement Concerning Proposed Legislation on Hog Marketing Premium Payments."

This report was submitted in response to an amendment I proposed to the new farm bill, copies of which were available to your representatives present at the committee meeting at which it was outlined in detail.

Mr. Secretary, do you stand on that report as a proper analysis of the proposal?

I must say to you, as I said to your representatives at the committee meeting, that I am shocked by such careless treatment of so important a subject. Any fair reading of both my proposal and my supporting statement, then your Department report, would raise a serious question as to whether or not the authors of this report even read the proposal—let alone gave it any serious consideration.

Your report, Mr. Secretary, creates fictitious questions not in any way involved in this proposal.

Let me quote from the third paragraph of that report, which you cited as a principal reason for opposing the proposal:

"Permitting prices of hogs to seek their own levels in the market with the taxpayers then making up the difference to producers between the market price and the specified levels in the proposed legislation would have several undesirable effects which would tend to outweigh the advantages to be gained."

Mr. Secretary, I challenge you to show me any place in the proposed amendment which would permit "prices of hogs to seek their own levels in the market with the taxpayers then making up the difference to producers between the market price and the specified levels" etc.

It is a sad state of affairs when a Senate committee, considering important legislation, gets such distorted reports from the executive branch of our Government.

The rest of your report is as irrelevant to the facts of the proposal as this first false assumption. You talk at great length about the need for "controls," without even recognizing that a simple dollar limitation was proposed as the means of control.

You arbitrarily estimate that premiums would be needed on 50 percent of the hogs expected to be slaughtered next year in arriving at your cost estimate, without apparently even considering what poundage of meat that would eliminate from the market and what effect that reduction in supply would have on market prices, thereby lowering the incentive payments under terms of the bill.

In my opinion, any department of our Government should be ashamed of submitting such a legislative report. Regardless of whether or not you approve of the suggestion, any committee of the Senate is entitled to factual guidance instead of pure hogwash.

My own detailed explanation of the proposal was printed in full in the CONGRESSIONAL RECORD, and was available for your Department's review and comment. If you lacked time to do so, do you not think it would have been more honorable to honestly say so and ask for such time, instead of blindly opposing the measure on completely false and misleading assumptions?

I regret the necessity to say these things. In all probability, you never saw the report as submitted. Yet I feel it is evidence of

the slipshod approach of your Department to suggestions from others.

I have reintroduced the proposal in the Senate, both as a separate bill and as an amendment to S. 3183.

I would appreciate knowing whether your Department still stands on its original report on this measure, or is willing to admit its shortcomings and come forth with a serious analysis of this proposal.

I would regret to have to tell hog farmers of my State the Department of Agriculture gave so little consideration to what was intended as a constructive suggestion that its officials refused to even find out what was actually proposed.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I want the Senate to know the reply I have since received, dated February 20. I ask unanimous consent to have that letter inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF AGRICULTURE,
Washington, February 20, 1956.

HON. HUBERT H. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: On my return from the west coast I find your letter of February 14. It will receive the attention it deserves.

Sincerely yours,

EZRA T. BENSON.

Mr. HUMPHREY. I shall not read that reply to the Senate, because it will be before the Senate for observation, and I shall attempt to quote from it when my amendment is called up tomorrow or Friday.

That was not much help to the Senate, when we are in the midst of making critical decisions on a farm bill.

It was not much cooperation, from an administration that says it wants to cooperate in bipartisan efforts to help farmers.

I am placing these letters in the RECORD, Mr. President, to make clear my attempt to get an honest appraisal from the Department of Agriculture—and their utter refusal to provide one when it was needed.

It was amazing to me that the Secretary had time to go out to California to attack organized labor, had time to go up to St. Paul to make a Republican rally peptalk, had time to carry on quite a campaign against the recommendations of our Senate committee, yet either had no time, or would not take the time, to have some of his experts answer a rush request for official information on pending business of the Senate.

When I started my farm address last week, I thought that perhaps if I took long enough discussing this bill and the problems of America's farmers, Secretary Benson might have time to catch up on his work and have a better analysis of the hog proposal available for us.

Sure enough, his Under Secretary finally did.

Mr. President, I did receive a letter March 2, which admitted the Department had made some errors in their first hasty appraisal of the bill, but added

little more factual help for guidance of this body. All it did was to reaffirm the fact the Department of Agriculture is opposed to helping hog producers in this way.

They say it is only a temporary expedient. They say they want farmers to have freedom.

Well, I will let them explain that to midwest hog producers. The Department certainly has not convinced me, and I am sure they will not be able to convince hog farmers.

Mr. President, to make the record complete, and give the Department its belated due of finally sending me what is intended to pass for a report on the bill, I ask unanimous consent to have the March 1 letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 1, 1956.

Hon. HUBERT H. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: This is in reply to your letter of February 15, discussing the Department's report to the Senate Committee on Agriculture and Forestry, concerning your proposal for hog marketing premium payments.

As you may recall, the request for our report on the proposed hog marketing payment legislation was complied with overnight. Within the time available to us for submission of the requested report, the proposal was given very serious and concentrated consideration. Despite the time limits, the report we furnished adequately reflects our overall thinking with respect to the hog marketing premium payment approach.

The proposal permitted an open-end payment program on lighter weight hogs when hog prices were at or below 90 percent of parity. The proposal provided for a maximum payment to any one producer in any one calendar year, and it is regretted that our report did not mention that feature of the proposal. But, as we indicated, the proposal would permit hog prices to fluctuate in accordance with supply and demand conditions, and the Secretary of Agriculture would be required to make payments to those producers selling hogs of the permitted weights whenever the market price for hogs was below the specified levels in the proposed legislation.

We recognize the problems of the hog producers and have been seeking earnestly and constructively to do everything that is fair, realistic, and economically sound to improve the situation. We do not believe the approach of making incentive payments for the marketing of lighter weight hogs is the answer in solving the hog problem. Such a program would likely retard and, in the long run, even prevent needed adjustments in production and marketing. The objective for farmers to have freedom to operate efficiently and to adjust their production to changing consumer demands would not be assured or encouraged by this kind of a Government program.

The proposal essentially is only a temporary expedient and, as you know, the real solution to the livestock problem is producing right and marketing right.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

DOLLAR LIMIT ON PRICE SUPPORTS

Mr. HUMPHREY. Mr. President, among the other improvements I am proposing in this farm bill is a limitation on

amount of price support loans to any one farmer.

I am most happy to have the endorsement of the President of the United States in my objective.

Mr. President, for several years I have been urging a limitation on the amount of price supports to any one farmer. It is in my own price-support bill introduced before this body last spring. The administration was not interested in it then.

Quite frankly, one of my purposes in proposing such a cutoff was to end the overused and abused argument of this administration that all of the benefits of price supports went to "big operators."

It always seemed strange to me, if such were the case, why most of these "big operators" actually opposed effective price supports and supported the administration's survival-of-the-fittest theory of take your chances in the market place." It has been the average family farmer who has been the staunchest supporter of effective price and income protection programs.

While the administration has always waded around figures about huge million-dollar support loans, until someone else suggested doing something about it they never came to this Congress to ask for any limit. They seemed to prefer keeping such loans as a whipping boy to help destroy the rest of the farm program.

At last, however, in an election year, the President saw the light, and agreed with me.

In his message to the Senate he said:

I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

Those are the words of our President, in his special message on agriculture, which he sent to the Congress on January 9, 1956.

I support the President's recommendation. In fact, I introduced a bill before the recommendation was made.

However, I looked in vain to find the legislative language recommended by the President's Agriculture Department or his spokesmen on the Hill to spell out this item.

In all fairness to our Senate Committee on Agriculture, I must say that the idea was considered as the President suggested, but with little or no supporting evidence or push from the Department of Agriculture. What we got instead was an outline of the problems it might present, the difficulties it might create.

In other words, objection was made to it.

It is understandable that some members of our committee may well have felt that the President was not serious about this recommendation—that he and his Department of Agriculture did not really intend for us to take this family farm cutoff recommendation seriously, even though the recommendation occupies a great deal of space in the Republican-sponsored advertisements.

However, I am willing to take it seriously. I want to support the President of the United States, when he belatedly accepts an idea I have advanced. If his

own people will not press for his recommendation, the Senator from Minnesota will. Particularly when the Republican advertising agencies, despite the fact no Republican bill was introduced before our committee to carry it out, are placing large paid ads in rural newspapers of the country urging farmers to write their Senators or Congressmen to "help Eisenhower pass the new farm program," including this item.

I have here a copy of one of these ads, from the Thorp Courier of Thorp, Wis. I may have more to say later about this nonpolitical approach to our farm program, after all of Secretary Benson's high-sounding words about a nonpartisan approach.

The GOP's idea of nonpartisanship, on farm policy as well as on foreign policy, seems to be that we must agree everything they suggest is right, and anything anybody else suggests is all wrong.

In any event, let me read point 4 of the "Eisenhower-Republican" farm program outlined in that ad, which they ask help in getting passed:

Protect family-type farms by limiting the size of price support loans made to large corporate-type farms.

All right, we will help.

Republicans seemed unwilling to take the lead, so I shall. And any Republican who votes against my amendment will be voting against the "Eisenhower-Republican" farm program as presented to the Nation by this barrage of high-pressure advertising.

But let us adopt the amendment proposing a limitation of \$25,000 on price support loans with full knowledge of how limited the bigger loans are, instead of preserving the misconceptions the Department of Agriculture has deliberately created.

The Department of Agriculture made an extensive scientific statistical study during 1955 of the size of grain loans.

The report was distributed several weeks ago in the routine mailing of Secretary Benson's press releases, and you may have missed noting it. At least not so much clamoring was done about it as has been done about releases listing the "ten biggest loans" in various categories.

Here is what this study showed about the size distribution of support loans in 1953:

Out of 296,000 corn loans, only 104—less than three-tenths of 1 percent—were larger than \$25,000.

Out of 43,000 oat loans, only 10—1 in each 4,000—were larger than \$25,000.

Out of 61,000 soybean price support loans, only 5 were larger than \$25,000.

Out of 34,000 barley loans, only 66 were over \$25,000.

Out of 33,000 grain sorghum loans, only 25 were larger than \$25,000.

Out of 58,000 flaxseed loans, only 18 were over \$25,000.

Out of 591,000 wheat loans, only 1,400, or about one-fifth of 1 percent, were larger than \$25,000.

I regret that later figures are not available, or more figures of a similar nature for other commodities. If they are available, they were not made available by

the Department of Agriculture to our Senate committee while we were considering the President's recommendations along with other recommendations in drafting a new farm bill.

However, it appears obvious from this partial study that a very large percentage of price support loans have been made to family-size farmers—contrary to some impressions that have been stimulated and perpetuated.

Furthermore, it also appears obvious that a dollar limit on price support loans at \$25,000, as proposed in my amendment—or, at the highest, \$50,000—would provide complete support to practically all family farmers, and would reduce support eligibility of but a very few farmers in the Nation.

Not nearly all commodities in any one year are covered by price support loans.

But even if they were, such a limitation as I have proposed would affect less than 4 percent of all the commercial farms in the United States—and even they would have eligibility up to the \$25,000 level.

Census data reveals that only 3.7 percent of the farms in our country have gross sales above the \$25,000 figure.

Such bigger farming operators produce and sell about 27 percent of the total volume of farm production, despite their small size in numbers.

Even under this limitation, about half of that production would still be fully eligible for supports, leaving unsupported less than 15 percent of the total supply.

In other words, 85 percent of the total commodity supply would be eligible under a \$25,000 limitation for price support loans.

If there is any validity at all to arguments that lower price support helps restrict production—and I have repeatedly challenged that contention as far as the average family farmer is concerned—it would exist in this area of bigger operators farming more as a speculative enterprise, and not solely dependent upon one operation for their income. It is these bigger operators who might have capital and resources to shift to different ventures, whereas the average farmer has little choice, in time of lower unit prices, than to try and increase his income by increasing his production.

If, for the purposes of argument, we should concede the premise of those who say price supports are an incentive to increased production—this cutoff would eliminate any such incentive from 15 percent of our national production while only affecting some 3.7 percent of the farm operators.

If the dollar limitations on price-support loans were set at \$50,000, and all farm commodities were covered by support loans, probably less than 1 percent of the farm units and less than 10 per-

cent of farm production would be excluded from eligibility for price-support loans. The total production of all but the very largest factories in the field would be covered.

Yet we would eliminate the embarrassment of 1 or 2 huge loans that critics of the farm program always delight in parading before the public, regardless of whether or not those loans were fully repaid to the Government without loss.

In my own State of Minnesota, only about 2 percent of our commercial farms had gross sales in excess of \$25,000 in 1954, according to the United States Census Bureau. Probably not more than one-half of 1 percent of Minnesota farms had gross sales of more than \$50,000, although figures on farms of this size are not reported by the census.

Enactment of this amendment would help to reverse the current trend toward an increase in the number of industrialized agricultural units.

As President Eisenhower stated in his farm message, over-large price support loans "constitute a threat to the traditional family size farm," and also a threat to continuation of our farm programs due to the unfair blackeye they give these programs.

"Under price-support machinery as it has been functioning, price-support loans of tremendous size have occasionally occurred," the President told us in his message. And the President added: "It is not sound Government policy to underwrite at public expense such formidable competition with family-operated farms, which are the bulwarks of our agriculture."

The Senator from Minnesota agrees most heartily with the President. His remarks sound very familiar to me, almost echoing what I have said time and time again. The only difference is that when HUBERT HUMPHREY suggests it, the press says I want to "penalize efficiency." When the President says it, they all applaud.

Well, now we have both said it, and I am doing something about it.

I agree most strongly with the President that there is something uniquely desirable and important to the preservation of democracy and strong rural communities in maintenance of the family farm pattern of American agriculture. I agree so strongly that I introduced a resolution in the Senate a year ahead of the President's message, asking that we make such a proclamation of public policy.

Yet the Department of Agriculture opposed the family farm resolution I proposed in 1955, proposed as a means of redefining our objectives of public policy right along the lines the President's message has since picked up and echoed.

My resolution was introduced because I felt convinced the current trend is

against the family farm. Perhaps others will harken to that warning, now that the President adds his voice to mine when we say the family farm is losing.

Mr. President, I ask unanimous consent to insert in the RECORD at this point in my remarks a series of statistical tables supporting my claim that family farms are losing out.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FAMILY FARMS ARE LOSING

Family farms lost ground to industrialized agricultural production units between 1950 and 1954 according to the 1955 census of agriculture. Industrialized farming units increased by 26 percent in numbers. The number of family farms dropped by 11 percent. (See table 1.)

The ratio of the number of family farms to the number of industrialized units dropped from 34 to 1 in 1950, to 24 to 1 in 1954.

TABLE 1

	Thousands		Change	
	1954	1950	Num-ber	Per-cent
Commercial family farms ¹	3, 193	3, 598	-405	-11
Industrialized factory farms ²	134	106	+28	+26
Ratio family farms to factory farms.....	24:1	34:1		
All commercial farms.....	3, 327	3, 704	-377	-10

¹ Gross sales of products less than \$25,000.

² Gross sales of products more than \$25,000.

BOTH TENANTS AND OWNERS LOST OUT

There was a drop of 353,000 in the number of full owner-operated farms, a drop of 276,000 in the number of tenant-operated farms and an increase of 32,000 in the number of part-owner operated farms.

TABLE 2

	Thousands		Change from 1950 to 1954	
	1954	1950	Thou-sands	Per-cent
Full-owner operators.....	2, 737	3, 090	-353	-11
Part-owner operators.....	857	825	+32	+4
Tenant operators.....	1, 168	1, 444	-276	-19

FIRM PRICE SUPPORTS SAVED FAMILY FARMS

The strengths and weaknesses of the 1950-54 price support programs are mirrored in what happened to numbers of different types of farms.

TABLE 3

	Thousands		Change	
	1954	1950	Num-ber	Per-cent
Cash grain farms.....	538	433	+105	+24
Dairy farms.....	549	601	-52	-9
Livestock farms.....	695	808	-113	-14
General farms.....	348	496	-148	-30

Cash grain farms with income protected by firm price supports during the 4 years, increased in numbers by 24 percent. Dairy farmers, placed on the sliding scale in 1954, decreased in numbers by 9 percent, while livestock farmers (hogs, cattle, and sheep) without price supports dropped by 14 percent in numbers. Hardest hit were general diversified farms whose numbers dropped by almost one-third (30 percent). This situation was widespread and general in nearly all States.

The big drops in numbers of family farms came in the below \$5,000 gross cash income groups.

If the numbers of these low income farm families had dropped because they had moved up the income scale this would be a happy situation. But, obviously, that did not happen. The big drop in numbers of low income farm operator families reflects the fact that these families quit farming entirely.

LOWEST INCOME FARM FAMILIES NOT HELPED BY OFF-FARM WORK

Secretary of Agriculture Benson has stated that drops in farm income have not hurt farm families because they have been able to obtain remunerative and attractive off-farm work. However, Census figures reveal that the lowest income farm families able to obtain at least 100 days of more of off-farm

work did not increase, but rather decreased, from 1950 to 1954. The number of farms the Census calls part-time farms (which might be better named "part-time farms with very low farm income") actually decreased by 67,000 during the 4 years.

Nationwide, the numbers of farmers with gross farm incomes who worked off the farm for 100 days or more increased by 118,000. The number of farmers who worked off the farm between 1 and 99 days per year increased by 159,000.

TABLE 4

Group	Thousands		Change	
	1954	1950	Thou- sands	Per- cent
Worked 100 days or more off farm:				
Gross farm income less than \$2,000.....	575	642	-67	-10
Gross farm income more than \$2,000.....	759	641	+118	+18
Total.....	1,334	1,283	+51	+4
Worked 1 to 99 days off farm.....	820	661	+159	+24
Total who worked off farm.....	2,154	1,944	+210	+11

Proportion of farmers in different groups who worked off farm 100 days or more

Group	1954	1950
Gross farm income less than \$2,000.....	55	48
Gross farm income more than \$2,000.....	29	22

The proportion of all farmers who worked off the farm between 1 and 99 days increased from 15 percent in 1950 to 21 percent in 1954. The proportion of all farmers who worked off-farm 1 or more days increased from 45 percent in 1950 to 55 percent in 1954.

To put this another, and somewhat more meaningful way, there was a 4-percent increase in the number of part-time farmers—those who worked more than 100 days off the farm per year regardless of income—and a 24-percent increase in the number of approximately full-time farmers who worked off their farm for 1 to 99 days during the year.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point tables I, II, III, and IV.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I

[Thousands]

State	Family farms (gross sales, \$250 to \$25,000)				Industrialized agricultural production units (gross sales, \$25,000 and more)				State	Family farms (gross sales, \$250 to \$25,000)				Industrialized agricultural production units (gross sales, \$25,000 and more)			
	1954	1950	Change		1954	1950	Change			1954	1950	Change		1954	1950	Change	
			Num-ber	Per-cent			Num-ber	Per-cent				Num-ber	Per-cent			Num-ber	Per-cent
Arkansas.....	85.5	111.2	-25.7	-23	3.3	1.7	+1.6	+94	Ohio.....	120.5	132.7	-12.2	-9	3.0	1.8	+1.2	+67
Colorado.....	28.8	32.8	-4.0	-12	2.7	3.5	- .8	-23	Oklahoma.....	72.6	80.8	-8.2	-10	1.5	1.8	- .3	-17
Idaho.....	28.9	30.7	-1.8	-6	2.3	1.7	+ .6	+35	Oregon.....	29.1	32.2	-3.1	-10	3.1	2.2	+ .9	+41
Illinois.....	138.2	153.8	-15.6	-10	9.6	6.9	+2.7	+39	Pennsylvania.....	79.6	86.1	-6.5	-8	2.8	2.1	+ .7	+33
Indiana.....	110.6	120.6	-10.0	-8	4.5	2.3	+2.2	+96	South Dakota.....	58.4	61.2	-2.8	-5	1.5	1.6	- .1	-6
Iowa.....	167.9	180.4	-12.5	-7	10.3	7.3	+3.0	+41	Tennessee.....	123.9	151.8	-27.9	-18	.6	.7	- .1	-14
Kansas.....	98.8	108.8	-10.0	-9	3.6	3.6	0	0	Texas.....	169.1	213.3	-44.2	-21	13.2	12.9	+ .3	+2
Kentucky.....	122.0	133.6	-11.6	-9	.8	1.0	- .2	-20	Utah.....	14.3	16.1	-1.8	-11	.8	.9	- .1	-11
Michigan.....	96.7	105.8	-9.1	-9	1.5	1.0	+ .5	+50	Virginia.....	69.5	76.5	-7.0	-9	1.9	1.6	+ .3	+19
Minnesota.....	143.6	154.9	-11.3	-7	3.0	2.2	+ .8	+36	Washington.....	30.7	37.3	-6.6	-17	5.7	3.1	+2.6	+84
Montana.....	25.1	28.2	-3.1	-11	2.6	1.8	+ .8	+44	Wisconsin.....	133.6	144.7	-11.1	-8	1.5	1.1	+ .4	+36
Nebraska.....	89.8	96.4	-6.6	-7	4.2	3.5	+ .7	+20	Wyoming.....	8.7	9.5	- .8	-8	.9	1.0	- .1	-10
New Mexico.....	10.6	12.8	-2.2	-17	1.5	1.3	+ .2	+15	The West.....	254.2	290.9	-36.7	-13	40.2	31.6	+8.6	+27
North Carolina.....	80.2	193.0	-12.8	-6	1.0	.5	+ .5	+100	The North.....	1,569.1	1,726.0	-156.9	-9	58.7	44.8	+13.9	+31
North Dakota.....	58.5	61.6	-3.1	-5	1.1	1.0	+ .1	+10	The South.....	1,369.4	1,581.6	-212.2	-13	35.1	29.1	+6.0	+21

TABLE II

[Thousands of farm units]

State	Cash grain		Dairy		Livestock		General		State	Cash grain		Dairy		Livestock		General	
	1954	1950	1954	1950	1954	1950	1954	1950		1954	1950	1954	1950	1954	1950	1954	1950
Arkansas.....	5	4	7	7	11	13	3	8	North Dakota.....	39	39	3	3	8	10	8	10
Colorado.....	5	9	3	3	13	12	5	6	Ohio.....	36	22	26	33	29	34	21	31
Idaho.....	8	7	7	6	5	6	7	8	Oklahoma.....	20	20	7	8	22	25	11	17
Illinois.....	69	60	13	16	44	51	16	25	Oregon.....	4	4	6	7	6	6	5	6
Indiana.....	39	25	12	16	36	46	18	28	Pennsylvania.....	3	7	38	44	9	8	11	12
Iowa.....	40	26	9	8	105	120	21	28	South Dakota.....	18	14	2	2	28	35	11	12
Kansas.....	54	41	8	9	25	37	13	22	Tennessee.....	3	2	15	15	17	23	14	22
Kentucky.....	5	2	8	9	16	27	14	24	Texas.....	14	17	8	9	48	48	17	23
Michigan.....	21	15	38	46	10	11	15	19	Utah.....	1	2	4	4	5	4	3	4
Minnesota.....	34	25	50	50	28	36	28	38	Virginia.....	3	2	8	8	13	14	7	9
Montana.....	12	10	2	2	11	13	3	3	Washington.....	7	6	9	11	4	5	3	3
Nebraska.....	35	33	3	3	42	43	13	18	Wisconsin.....	4	2	107	116	10	11	7	9
Nevada.....	0	0	0	0	1	1	0	0	Wyoming.....	1	2	1	1	6	6	1	1
New Mexico.....	1	2	1	1	6	6	1	1	The North.....	422	320	413	461	440	526	204	282
North Carolina.....	5	3	6	5	7	6	10	12	The South.....	71	63	90	93	186	211	111	174

TABLE III
[Thousands of farms]

State	Relatively adequate family farms (sales, \$5,000 to \$24,999)			Inadequate family farms (sales of less than \$5,000)			State	Relatively adequate family farms (sales, \$5,000 to \$24,999)			Inadequate family farms (sales of less than \$5,000)		
	1954	1950	Change	1954	1950	Change		1954	1950	Change	1954	1950	Change
Arkansas.....	18.1	13.7	+4.4	67.2	97.5	-30.3	Ohio.....	52.2	45.6	+6.6	68.2	87.2	-19.0
Colorado.....	14.1	16.6	-2.5	14.7	16.2	-1.5	Oklahoma.....	23.1	25.5	-2.4	49.5	65.3	-15.8
Idaho.....	15.9	14.8	+1.1	13.0	15.9	-2.9	Oregon.....	13.4	12.6	+0.8	15.7	19.6	-3.9
Illinois.....	83.5	85.9	-2.6	54.6	67.9	-13.3	Pennsylvania.....	34.8	33.4	+1.4	44.8	52.7	-7.9
Indiana.....	52.6	47.9	+4.7	58.0	72.7	-14.7	South Dakota.....	30.5	30.5	0	27.9	30.7	-2.8
Iowa.....	112.0	112.1	-.1	55.9	68.3	-12.4	Tennessee.....	12.2	11.0	+1.2	111.7	126.5	-14.8
Kansas.....	48.6	43.2	+5.4	50.2	65.4	-14.8	Texas.....	57.1	72.5	-15.4	112.0	140.8	-28.8
Kentucky.....	19.5	18.0	+1.5	102.4	115.6	-13.2	Utah.....	5.8	6.2	-.4	8.5	9.9	-1.4
Michigan.....	33.4	27.3	+6.1	63.3	78.6	-15.3	Virginia.....	12.3	11.4	+0.9	57.3	65.1	-7.8
Minnesota.....	70.5	73.5	-3.0	73.1	81.4	-8.3	Washington.....	14.8	14.8	0	15.9	22.5	-6.6
Montana.....	14.7	14.4	+0.3	11.4	13.5	-2.4	Wisconsin.....	58.2	56.1	+2.1	75.4	88.6	-13.2
Nebraska.....	50.8	48.4	+2.4	39.0	48.0	-9.0	Wyoming.....	4.5	4.8	-.3	4.2	4.7	-.5
New Mexico.....	4.3	5.3	-1.0	6.3	7.5	-1.2	The West.....	129.5	133.5	-4.0	124.6	157.4	-32.8
North Carolina.....	33.4	19.9	+13.5	146.8	173.1	-26.3	The North.....	765.2	745.8	+19.4	803.9	980.3	-176.4
North Dakota.....	25.8	29.2	-3.4	32.7	32.4	+0.3	The South.....	260.7	233.1	+27.6	1,108.7	1,348.6	-239.9

TABLE IV
[Thousands]

State	Working off farm		100 days or more work off farm		Part-time farms		Higher income part-time farms				State	Working off farm		100 days or more work off farm		Part-time farms		Higher income part-time farms			
							Off farm		100 days off									Off farm		100 days off	
	1954	1949	1954	1949	1954	1950	1954	1949	1954	1949		1954	1949	1954	1949	1954	1950	1954	1949	1954	1949
Arkansas.....	68	73	40	38	20	27	48	46	20	11	North Carolina.....	111	97	67	60	28	28	83	69	39	32
Colorado.....	18	17	10	9	4	4	14	13	6	5	North Dakota.....	15	15	4	5	1	1	14	14	3	4
Idaho.....	20	18	11	9	3	4	17	14	8	5	Ohio.....	91	89	66	63	25	28	66	61	41	35
Illinois.....	65	64	33	34	13	16	52	48	20	18	Oklahoma.....	62	61	41	33	20	20	42	41	21	13
Indiana.....	75	69	51	46	18	21	57	48	33	25	Oregon.....	32	34	23	24	9	10	23	24	14	14
Iowa.....	61	51	21	19	7	8	54	43	14	11	Pennsylvania.....	69	72	50	54	20	23	49	49	30	31
Kansas.....	52	60	25	29	9	9	43	51	16	20	South Dakota.....	17	16	4	5	1	2	16	14	3	1
Kentucky.....	79	77	45	46	24	26	55	51	21	20	Tennessee.....	94	86	58	52	34	35	60	51	24	13
Michigan.....	76	71	55	48	21	24	55	47	34	24	Texas.....	143	135	93	105	46	40	97	89	47	67
Minnesota.....	60	53	25	22	10	11	50	42	15	11	Utah.....	15	13	10	9	4	4	11	9	6	5
Montana.....	11	12	6	5	2	2	9	10	4	3	Virginia.....	69	67	49	48	22	21	47	46	27	25
Nebraska.....	30	25	9	8	3	4	27	21	6	4	Washington.....	39	38	30	28	10	12	29	26	20	17
Nevada.....	1	1	1	1	1	1	1	1	1	1	Wisconsin.....	61	58	31	27	9	11	52	47	22	16
New Mexico.....	10	10	7	6	3	3	7	7	4	3	Wyoming.....	5	4	2	2	1	1	4	3	1	6

Mr. HUMPHREY. Mr. President, when my amendment is called up for vote, it will be interesting to see how well my Republican colleagues join and support my effort to carry out the President's program, a program that he belatedly associated himself with.

OTHER AMENDMENTS

I may seek other amendments to improve this farm bill, but I shall only mention two others briefly.

I have earlier indicated my conviction that the drastic cutback in corn acreage to 43 million acres this year in the commercial corn area was unjustified. It becomes even more so, when we take out 250 million bushels of corn for our set-aside, as provided in the bill, or the national security reserve as proposed in my amendment.

Secretary Benson has indicated his willingness to break his own crackdown, by his offers to let growers produce on virtually unlimited acres as long as he keeps control over the price they can get. The deals being talked about run around 56 to 57 million acres.

I still believe in controls on corn, but reasonable controls. I still believe corn-growers will comply with controls, if they are reasonable, justified, properly administered, and if they get a decent price for what they can produce.

For that reason I am proposing an amendment requiring that the corn acreage allotment for this year be not

less than 49 million acres—more than Secretary Benson is willing to give farmers voluntarily under their present allotments, yet less than he is willing to offer as a price for votes to defeat 90 percent of parity.

In view of the small corn carryover, the amount being moved into set-aside, I think the 49-million-acre allotment would be reasonable and effective. I think we would get compliance with it.

There is more incentive for the corn-grower to comply this year, because there is a chance to use his diverted acres in other forms, both in the conservation acreage reserve and in soybeans, which are in short supply and bringing a fair price.

My second corn amendment will be an added incentive to compliance.

It would reward those who complied with allotments last year, and be an incentive to comply this year.

For the purposes of the acreage reserve, it would allow corn-growers who had complied with allotments to use their preceding year's allotment as the acreage basis on which they might participate.

In other words, if a corn-grower complied with acreage allotments last year, and has a smaller allotment this year, he could put the difference into the acreage reserve.

That privilege would not be provided for the grower who overplanted last year.

PARITY PAYMENTS

Among the improvements I would still like to see made in this bill is more specific authority for use of compensatory payments, or parity payments, to farmers as a method of protecting their income.

I shall call up an amendment for that purpose.

Mr. President, we are wrong to think there is anything bad about direct payments to farmers as a means of accomplishing legislative goals for agriculture. It is certainly no more wrong than making parity payments to shipping interests, to make up the difference between levels of foreign labor and our own.

I have always believed the authority should rest with the Secretary of Agriculture to use direct payments whenever they prove a more effective means of achieving established support levels. I believe they are an efficient way of accomplishing social objectives and at the same time allowing products to compete in the world markets and go to our own people at lower levels than would possibly otherwise exist.

Mr. President, I would like to ask unanimous consent to have printed in the RECORD at this point an article by Walter Lippman, commenting on such direct payments, which appeared in the Washington Post and Times Herald yesterday, March 6.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

WHAT IS THE FARM PROBLEM?

(By Walter Lippmann)

In a preceding article I discussed the fallacy of supposing that the problem of the farm surpluses can be solved in any serious measure by dumping the surpluses abroad. We are left with the task of managing the farm problem at home.

Needless to say, I do not know how to solve the farm problem. I know just enough about it, however, to be reasonably certain that no solution of the problem is now in sight, and that the best we can hope for from the measures being debated in Congress is that the aggrieved farmers will get some degree of temporary relief.

It cannot do any harm, and it might possibly lead to something useful, to ask ourselves—as if we had just arrived from Mars—what it is that we are trying to do. It transpires, I believe, that we do not usually, if ever, say directly what it is that we are trying to do.

What we are trying to do is to provide the farm population with incomes which keep pace with the incomes of the industrial population. It is now an accepted rule, which no public man disputes, that the income of farmers must not stand still, much less may it fall, in relation to industrial income. That is the meaning of what is called parity.

Now the fact is that during this century—at least since World War I—farmers' incomes if left to themselves have tended to fall away from parity. To prevent this falling away from parity is the object of all the farm plans. They are at bottom of two kinds. One is to restore parity directly, the other is to restore it indirectly.

The direct way would be to vote the farmers a Federal subsidy to cover the deficit between the income they earn and the income which under the principle of parity they ought to receive.

A direct subsidy system would work out something like this: In the case of cotton, for example—where there is one of our largest and most stubborn surpluses—total market requirements, both domestic and foreign, would be estimated for the crop year. Farmers would be assigned production quotas in terms of bales. Cotton would be sold at market prices and would no longer be supported at noncompetitive levels. Subsidies would be paid directly to the farmer to make up the difference between the price he sells his cotton for and the amount he should receive to maintain his income in parity with the economy as a whole. Production limitations would be compulsory for those farmers who elect to receive the subsidy.

This system would have many advantages over the present system. At prices which are competitive and meet the actual conditions of supply and demand, cotton sales could probably be increased. In any event they would not pile up in unused surpluses which are not only wasteful but by their very existence exert a depressing influence on cotton prices and markets. The cost of the subsidy to the Government and the taxpayer would probably be lower through the elimination of storage and insurance costs and a reduction in administrative expenses. And finally, what is perhaps most important, the long-run adjustment of production and consumption would be improved. For such a subsidy system would rely on market prices to allocate the farmers' productive efforts more realistically.

But the fact is, of course, that almost all farm plans rely on indirect devices for covering the deficits from parity. They use Federal money and the Federal regulating power to manipulate supply and demand in

a rigidly protected domestic market; the aim of the manipulation is to create artificially high prices which will bring farmers' incomes up to parity.

Neither method is easy to administer in our kind of free society. For both involve massive interference by the Government in the affairs of the farmer. The direct method, that of outright payments to supplement incomes, might well be the easier and cheaper to administer. Yet almost certainly it would be the more unpopular. For it reveals quite baldly the fact that the operation is at bottom a subsidy by the Nation to a part of the Nation.

Our people do not like to pay or to be paid their subsidies openly. They prefer, having become used to them, the indirect forms of subsidy. Of these the tariff is the biggest example of all though not the only one. Practically all the farm plans are devices, like the tariff, for replacing the free and open market with an artificial market.

It seems to me that if the direct method is the easier to work effectively, we should not be too squeamish about recognizing openly the fact that it is national policy to subsidize agriculture. There is nothing to be ashamed of about that. The maintenance of a contented agricultural population is a national interest of the first order. That agriculture requires protection and help is a fact which cannot be doubted, and therefore it would be mere political prudery to try to hide the reality—which is that agriculture must be a protected and subsidized occupation.

Mr. HUMPHREY. Mr. President, let me read the last paragraph.

Mr. Lippmann says in regard to direct payments:

It seems to me that if the direct method is the easier to work effectively, we should not be too squeamish about recognizing openly the fact that it is national policy to subsidize agriculture. There is nothing to be ashamed of about that. The maintenance of a contented agricultural population is a national interest of the first order. That agriculture requires protection and help is a fact which cannot be doubted, and therefore it would be mere political prudery to try to hide the reality—which is that agriculture must be a protected and subsidized occupation.

I can agree with what Mr. Lippmann says, but I wish he had said more. I wish he had pointed out how much of the rest of our economy is protected and subsidized in one form or another, to an even greater extent than is agriculture.

Mr. President, it would be far wiser to make direct payments to hog and cattle producers to avoid the loss they are suffering than to help increase the profits of meat packers in the name of helping farmers.

For some reason, it seems to have been a well-guarded secret that much more authority exists for such payments than is ever brought out into the open. It has not been used. It will not be used, apparently, unless this Congress demonstrates a desire and a willingness for such methods to be used.

Let me quote from section 32 of Public Law No. 320 of the Seventy-fourth Congress, providing for use of receipts from customs duties to aid agriculture. More funds have existed in the section 32 account in the Department of Agriculture than have been used in any of the recent 3 years of falling farm prices. A surplus of funds still exists there. It is from

these funds that the Secretary is hesitantly spending some \$85 million to purchase pork products from packers.

But let me read you a section of that law. It outlines three uses to which the Secretary may put the section 32 funds. The first is to encourage exportation of agricultural commodities, providing for payments of benefits in connection with any losses sustained on such exports. That is how we have authority to subsidize exports, such as wheat. The second use, outlined is to encourage diversion of agricultural products from normal channels of trade into byproducts, again authorizing payments of benefits or indemnities to cover losses.

It is the third use to which I want to particularly refer. The act reads: "re-establish farmers purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption."

The act further says that the sums appropriated under this section shall be devoted principally to the perishable nonbasic agricultural commodities, other than those receiving price support benefits.

It was for just such purposes as helping hog producers, cattle producers, and poultry producers, when they were in trouble, that this provision was made in the act.

It is not now being used in that manner.

There is another portion of our agricultural law many people seem to forget.

It is section 303 of the Agricultural Adjustment Act of 1938, as amended, still on our statute books and still in full force and effect.

Let me read that section.

It says:

SEC. 303. If and when appropriations are made therefore, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco, on their normal production of such commodities, in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit.

That is the section in our basic agricultural law called "Parity Payments." It recognizes our goal of equality. It has not been used, because no funds have been provided to implement it. Yet may I emphasize that this administration at no time has asked for funds to implement it, or to take advantage of this authority in any way as an alternative means of checking falling farm income.

This administration has said one of its objections to 90 percent price supports has been that they force prices too high for effective competition in world markets, or too high for competition with synthetic substitutes.

May I just point out, in passing, if this was their primary concern—rather than just bringing down farm prices—they could at any time have solved that problem they raise by making use of the parity payments authority in this section, by asking Congress for funds to use it as an alternative to achieving support levels through loans alone.

It is this section I propose amending, both to make it more workable and to direct attention of the Department of Agriculture to using it.

My amendment would simply add livestock and dairy products to the commodities for which such payments are authorized.

Then, rather than making such payments contingent only on appropriated funds, my amendment adds a new section specifically saying that section 32 funds may be used for this purpose.

To my reading of the law, that is already provided in section 32 itself. But by relating the section 32 funds to this parity payment section, I think we can make clear the authority to use compensatory payments, particularly for perishable commodities.

I might just add that farmers' polls in Iowa, a great Republican farm State, have been overwhelmingly in favor of such compensatory payments as a method of helping the hog producers.

Mr. President, I now come to the concluding portion of my remarks.

At the outset I declared it was my intention to take advantage of the opportunity this debate afforded to correct much of the misinformation that is still being spewed out across the countryside.

I have endeavored to do so, with facts. The record speaks for itself.

I promised to explode a lot of myths.

I promised to get rid of, once and for all, these unfounded assumptions:

First. The myth that 90-percent price supports were responsible for our surpluses, and that lower sliding-scale supports advocated by this administration would curtail production with less controls.

Second. The myth that most of Secretary Benson's troubles have been "the mess he inherited" from the past Democratic administration.

Third. The myth that farmers are not really hurting, that talk of economic hardship is just political talk.

Fourth. The myth that the Democratic Party has advocated nothing for agriculture but 90-percent price supports.

Fifth. The myth that we have never offered any constructive suggestions and have no answer as to what to do about our current temporary surplus supplies.

Sixth. The myth that 90 percent of parity is either high or rigid.

In documented portions of my address, extended over some 5 days on the Senate floor, I believe I have provided evidence refuting these myths. When I started, I invited study of the facts I presented as against claims so often echoed in the press by opponents of the Democratic farm program.

Now, as I near my conclusion, I again invite that comparison.

I invite that comparison with any evidence that has been presented in this debate to the contrary.

None of the facts and figures I presented have been disproven. They stand as answers this administration is unwilling to face, preferring to deal in vague generalities and nice-sounding slogans.

There is just one of them that I would like to expand upon slightly in this con-

clusion. That is the false premise that 90 percent of parity is high or rigid.

Parity itself is a fluctuating scale. It is a measuring device that goes up and down as costs go up and down. It reflects other changes in our economy. It is flexible.

I defy anybody to prove how a percentage of a flexible measurement can of itself be rigid.

The word "high" has different meanings to different people. It has been used in the context of indicating "too high." Of course 90 percent is higher than 75 percent. So is 75 percent higher than 50 percent.

But as long as parity is our accepted measurement of how the prices a farmer receives compare to prices the farmer must pay, that moving parity figure is intended to mean equality—like a scales in balance.

Certainly it is unfair to call 90 percent of equality "high," when it is 10 percent below equality, 10 percent out of balance.

One hundred percent would be full equality. One hundred and ten percent could probably be called "high." But 90 percent of parity cannot properly be called "high," any more than a 30-inch yardstick could be called "long." It would be longer than a 24-inch yardstick but still less than a full yardstick—still less than the measurement of a full yard. It would be short, not long. And 90 percent of parity is no different.

Mr. President, this entire situation was described in a nutshell by Adlai Stevenson recently when he said:

Our objective for agriculture is equality with other parts of our economy.

Our yardstick for measuring this equality is parity—a formula for fairness based on relating what a farmer gets for what he sells to what he must pay for what he buys. And 90 percent of what is fair is certainly not unfair, or too high. Support by Government loans at 90 percent of parity for basic commodities is all the more necessary at the present time when farmers' income is falling and we are moving further away from the goal of equality.

Adlai Stevenson made that statement in a message sent to the Democratic Midwest conference in Des Moines, October 21 and 22, before he was an announced candidate for President of the United States.

Mr. President, I ask unanimous consent to place Mr. Stevenson's entire statement in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ADLAI E. STEVENSON TO THE DEMOCRATIC MIDWEST CONFERENCE IN DES MOINES, OCTOBER 21 AND 22, 1955

There could be no more important meeting in America today than this Midwest Democratic Farm Conference. A constructive farm program has become the Nation's No. 1 need: And it becomes more apparent with every passing day that this need will be met only through leadership of the Democratic Party.

I join with you at Des Moines in your purpose to make clear our united resolve to take the steps necessary to insure a healthy farm economy. For farming is much more than an essential industry: It is a way of life that must be preserved and encouraged. In much of the free world land reform and tenure by the many instead of the

few is a major goal. Let us not go in the opposite direction in the United States and plow under the family farmer.

Our objective for agriculture is equality with the other parts of our economy.

Our yardstick for measuring this equality is parity—a formula for fairness based on relating what a farmer gets for what he sells to what he must pay for what he buys. And 90 percent of what is fair is certainly not unfair or too high. Support by Government loans at 90 percent of parity for basic commodities is all the more necessary at the present time when farmers' income is falling and we are moving further away from the goal of equality.

But such price supports do not by themselves constitute a complete farm program. The debate should not be limited to the issue, important as it is, of flexible against firm price supports. We must face the realities of surpluses and unbalanced production. There is much more to be done to accomplish a farm program which is fair to everyone.

For some commodities, especially perishables, direct production payments, for example, may avoid surplus accumulation and work better than loan and storage arrangements.

And a constructive farm policy must include incentives for the transfer of unneeded grain acreage into conservation uses. It means encouraging a shift to greater livestock and less cereal production, and building up our soil resources for tomorrow's 200 million Americans.

It means using our abundance as an instrument of our foreign policy abroad and a weapon against hunger at home.

It means creating larger markets and more purchasing power for farm products.

It means a new look at the farmers' credit needs.

And it means recognizing our abundance as a passing problem in this growing country, and as a blessing, not a curse. For the problems of abundance are part of the price of America's strength—a strength which it is our obligation to use, to conserve, to improve.

This conference is a happy reminder of the long record of the Democratic Party in building that strength, and in doing for the American farmer what needs to be done.

Mr. HUMPHREY. Mr. President, Adlai Stevenson is for 90 percent of parity. He was for 90 percent of parity in 1952 and he is for 90 percent of parity today. A deliberate attempt has been made to deceive farmers about his position on agriculture. Fortunately, farmers recognize a man of truth when they see one. I have just returned from attending farm meetings with Adlai Stevenson. I know how he stands. Anyone who says otherwise is not facing the facts. Adlai Stevenson is for 90 percent of parity. And, gentlemen, Adlai Stevenson does not make up his mind lightly, on shallow or surface knowledge of all that is involved. It is his carefully considered judgment that we are right in fighting for 90 percent of parity, to get agricultural income nearer its goal of full equality.

It is amazing how the press can distort plain, simple language to give it their own meaning. It is amazing how they can continue to make it appear that 90 percent of parity for farmers is something high to which he is really not entitled.

It still amazes me that we can apply such discriminating tactics to agricul-

ture, but not to any other segment of our economy.

We provide 90 percent mortgage guaranties for our home loans, to protect bankers from loss. We guarantee the loan on 90 percent of the appraised value of the house. Yet nobody calls that guaranty high or rigid.

We now offer the same thing to the farmer. We offer to loan him 90 percent of the appraised value of his commodity, with that appraisal determined by the parity computations authorized by Congress as our measuring device. The farmer's commodities are his collateral, just as the house is collateral. Both have to be taken over by the government if the borrower cannot repay his loan. Either can be sold out earlier if the borrower finds a buyer at a higher figure, and can sell at enough to repay his loan and still make a profit. Each pays interest on the loans.

Why the fuss about 90 percent of parity loans to farmers, and no mention of the 90-percent loan guaranties to bankers?

Please do not misunderstand me. I approve such housing loan guaranties I think they are in the national interest to stimulate home ownership and the building industry. But I feel the same way about such loans to the farmers. Again, they are in the national interest—to assure diligent farmers, working hard, that they will not face disastrous prices if they can outwit the other natural hazards that always confront farming.

It does not guarantee them any set income. It does not assure them any profit. It is just a floor under their attempt to achieve even better prices so they can come closer to the full equality to which everybody pays lip service.

The question before us is whether we place that safety net high enough to avoid any serious injury to the farmer, or whether we let him fall so far before catching him so that he only breaks a couple of legs, rather than his neck.

If you are going to provide, in the public interest, a safety net or floor under agriculture, let us put it where it will do some good—and let us not take it away when he needs it most.

There is one other myth that keeps cropping up which I have not touched upon in these remarks. Perhaps now is a good time to do so.

Our Republican friends take great delight in trying to interpret the 1948 Democratic platform for us, telling us over and over that the Democrats were for flexible supports then, what made them change?

Mr. President, as I have said before, the difference between Democrats and Republicans is that we are willing to learn, and to put our learning to good advantage. We are willing to change, when change is needed. We realize that there is some value in being stubborn, but there is no value in being just plain, confounded stubborn.

However, there is more to that 1948 platform promise than our Republican friends would have us think. All they talk about is that the Democrats said

they were for a flexible price-support system. But what kind of a flexible system? Let us look at the platform itself.

Here is what it said:

We favor a permanent system of flexible price supports for agricultural products to maintain farm income on a parity with farm operating costs.

Is that the kind of a program the Republicans are offering? Have they shown us that their flexible system would maintain farm income on a parity with farm operating costs?

The record flatly and loudly says "No."

Perhaps if they came to us with a flexible system from 90 percent to 110 percent of parity, making sure we were aimed at the parity of farm income falling in between we could share some interest in their suggestions.

And there is nothing in the platform language which means we confined flexibility to a sliding scale downward.

We were interested in flexibility of methods, to maintain farm income on a parity with farm operating costs.

I was on that platform committee. Perhaps I am in a better position to know our objectives than some of our Republican critics are.

During the Truman administration we proposed such flexibility of methods, aimed at maintaining farm income on a parity with farm operating costs. We proposed using production payments as well as loans and purchases as an alternative method of support, to put some proper flexibility into the methods of achieving full parity of farm income. We proposed shifting our standard of measurement from farm prices to farm income to come closer to the goal we set in that platform.

But such suggestions were recklessly crucified by one of the most brutal political attacks in history against Secretary of Agriculture Brannan. If it were not for the political bugaboo they have built up about his suggestions, the Republicans would be happy to have some of them to lean upon today. Use of direct payments as a means of support rather than just withholding commodities under loan or storing them after purchase had been held to be a far more efficient way of achieving our social and economic objectives by many economists and observers who have given careful study to farm policy. Some of Secretary Benson's own consultants, with years of experience in the grain trade, made that very recommendation to him. They got rid of the consultants. They did not want people around honest enough to admit that nobody had really given serious consideration to Secretary Brannan's recommendations on their merits. Instead, they just became political footballs to be kicked around.

Just the other day, Walter Lippmann, discussing the impact of our agricultural policy on foreign policy, said we should be more honest about achieving our social objectives and turn to such direct payments.

I shall offer an amendment to this bill to achieve that purpose. Perhaps it is unlikely it will be accepted. I am offering it, however, because I believe it is right and sound. And the time will

come when future students of agricultural policy will say many of our troubles today could have been avoided if we had turned to this course several years ago when a Democratic administration suggested it.

I have called attention to the real meaning of the 1948 platform to kill off one more myth. I hope it silences those who like to prate about the Democrats being inconsistent. It is the Republicans who have been inconsistent, and are still being inconsistent.

In the 1952 campaign, they were for anything to win the farm vote.

After they were elected, they were ready to throw our farm program into the discard.

Now that another election year has rolled around again, once more they seem willing to do almost anything to try and convince farmers they are not as bad as most farmers know they have been.

I say "almost anything." They still insist on trying to win a symbolic victory by defeating 90 percent supports, no matter what they have to promise or do to get that hollow victory—a victory for them at the expense of farmers.

They cry and shout about "surpluses" then they offer southern Senators not to cut acreage allotments and keep price supports at a reasonably high level, if they will only help them save face by defeating "90 percent of parity."

They cry and shout about surpluses, they offer Midwest Republicans to keep the same present support level on corn for election year while lifting allotments and letting growers produce all the corn they want—just so they can still say they defeated "90 percent of parity."

Let me point out, of course, that all of these golden promises are only for one year. They will do anything now to win, just so authority is in their hands to give farmers a worse beating next year after elections are over. If the President's promise at Kasson meant nothing, what do Secretary Benson's promises now mean?

Let me voice this warning to those tempted by Secretary Benson's lobbying bait:

For every extra acre of corn he offers to let farmers produce above last year's allotments during this election year he will cut back twice as hard next year.

For every extra acre of cotton he offers the South to try and win votes to keep discretionary power in his own hands—he will cut back twice as hard next year. And he will make that after-the-election cutback in both acreage and price, you can be sure.

Those who may be urging the farmers to accept this bait today will be the first to howl next year when they are firmly implanted on Benson's fishing hook.

Inconsistent? What could be more inconsistent than Secretary Benson's election-year policies. He opposes the soil-bank idea in October; he hails it as the cure for all evils in January. He invokes the tightest curb in history on corn by announcing it is necessary to cut back acreage allotments in the commercial corn area to 43 million acres, then he

agrees to letting production be stepped up to fifty-six or fifty-seven million acres as long as he can say he won on the farm bill.

Mr. President, that drastic corn allotment was unjustified in the face of our limited corn reserves. I am convinced that it was part of political manipulation to stir an outcry among corn producers for lifting all controls—which he was willing to do if he could have his own way on prices.

Well, Mr. President, some farmers have taken the bait. But more thoughtful ones have taken a second look and have informed me that they want no part of Secretary Benson's schemes. They would rather take their chance on a program that lets them know what is also going to happen next year than to have election-year bait dangled in front of them with no assurance for the future.

Mr. President, I know how strongly farmers feel about this issue before us. I could bring mail into this Chamber by the bushel basket. I have presented a few random samples for the RECORD.

Last Monday night, a farmer out in Iowa whom I had never met or heard of before picked up his telephone and called me long distance to say they were desperate—that they simply must have a farm bill that raises their income, not just the Eisenhower-Benson public relations program.

He was Joe Coleman, of Clare, Iowa.

I learned some interesting things from him. It appears he was one of five panel discussion leaders on the annual panel of the National Farm Institute at Des Moines recently. This is one of our great annual farm forums.

Every effort is made to have it present all viewpoints. Yet its own sponsors were surprised to find, according to Mr. Coleman, that every member of the panel insisted farmers must have at least 90 percent of parity.

We have not seen much about that in the papers. But you can rest assured we would have read reams about it if even 3 out of the 5 discussion leaders decided we did not need 90 percent of parity.

When farmers way out in the Midwest, in sheer desperation, call long distance to ask Senators from other States for help, I think it is convincing evidence of how strongly they feel.

Mr. President, I have presented some of the telegrams I have received for the RECORD. I ask unanimous consent to have printed in the RECORD some more selected at random to show the sentiment in the area from which I come.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

AITKIN, MINN., March 7, 1956.

HON. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Urge you stand firm 90 percent parity, particularly dairy.

BOARD OF DIRECTORS, NORTH STAR
CO-OP SOCIETY.

HERMAN, MINN., March 7, 1956.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Ninety percent support urgently needed for welfare of national economy.

LAWRENCE DREIS, Chokio, Minn.

CAMBRIDGE, MINN., March 5, 1956.

Senator HUMPHREY,
Washington, D. C.:

Expressing sentiment of 400 families of the Isanti County Farmers Union we are proud to have you working for us as you have on this farm bill. Provide family farm cut off \$25,000 a must.

ALDEN ANDERSON, President.
STACY, MINN.

FORMAN, N. DAK., March 6, 1956.

Senator HUMPHREY,
Washington, D. C.:

We urge you strongly to vote for 90 percent parity income bill. We demand action for relief of our distress now or there may be a national farmers holiday association in the making. We have been Bensonized long enough.

BOARD OF DIRECTORS FARMERS UNION OIL CO.

OGEMA, MINN., February 20, 1956.

Senator HUMPHREY,
Washington, D. C.:

Wish to express our sincere thanks for your good work for farmers. We are back of you 100 percent. Keep up the good work. Give us a good farm program of not less than 90 percent of parity.

OGEMA FARMERS UNION,
JEROME KIRVA, President.

ALEXANDRIA, MINN., March 3, 1956

Honorable Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

To express our sincere appreciation for gallant efforts you are putting forth in fight for farm parity, may God give you continued strength and wisdom.

FORADAY FARMERS UNION,
JOHN C. BARTOS.

AITKIN, MINN., March 1, 1956.

Senator HUBERT HUMPHREY:
Washington, D. C.:

We believe that the soil-bank program will not be of any help to Aitkin County or any county in this part of the State. We do however believe 90 percent of parity on butterfat in milk will help the few farmers who are trying to stay on their farms.

AITKIN COOPERATIVE CREAMERY
ASSOCIATION,
BARNEY JANZEN, Secretary and Treasurer.

MOLINE, ILL., February 29, 1956.

Senator HUMPHREY,
Senate Office Building,
Washington, D. C.:

Congratulations your speech of February 27. We the small family farmer need more men like you to represent us in our Government.

Sincerely,
Rock Island County Farmers Union;
James C. Bennett, Chester D. Skeel,
William A. Layer, John H. Layer, Jr.,
Gero Hoskins, Robt. Kroeger, Joseph Smflenski, Richard Dewitte, Julius de Baillie, Virgil Vaimwright, Walter Kilby, Watter H. Siever, Clifford Killley, Marion Kelley, Ruby McChuruch.

LATTA, S. C., March 7, 1956.

Senator HUBERT HUMPHREY,
Washington, D. C.:

Your speech on farm bill in CONGRESSIONAL RECORD is one of the finest things that a Senator has ever said on Senate floor. Greatly appreciate all you are trying to do for us and our America.

HOUSTON MANNING.

Mr. HUMPHREY. Mr. President, the day President Eisenhower sent his state of the Union message to the Congress, the famous CBS commentator Edward R. Murrow was out in the Midwest. He was out where he could sense for himself and see for himself what was happen-

ing, and how concerned farm people were.

Ed Murrow made his broadcast of January 5, from 7:45 to 8 p. m., from St. Paul, Minn. He had big news to cover—comment on the President's state of the Union message. Yet he had even bigger news: the upset feeling in Midwest agriculture.

Conditions he found impressed him so deeply that he devoted at least half of his news report to what he found out by visiting among farmers.

Let me quote from his remarks. Here is what he said:

The past 2 days, and much of the nights, have been spent talking with farmers and small-business men in southwest Iowa, around Corning, and in western Wisconsin, in Baron County. In Iowa it costs more to feed a hog than the hog will bring at market—talked with three medium sized farmers—none expected to show a profit this year—bankers are refusing loans on smaller farms—the trend is toward bigness. A considerable number of younger men, those who started farming after the war, are giving up, leaving the farm.

Purchasers at the general store are down, credit is tight. Sales of farm machinery have declined, some implement manufacturers are beginning to lay off men. There is nothing approaching panic and not much bitterness, but some old line Republicans are saying, "There's got to be a change." If there is anyone in that part of the country who supports Secretary Benson's policies, he is mighty hard to find.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the full portion of Mr. Murrow's broadcast dealing with agriculture.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

The past 2 days and much of the nights have been spent talking with farmers and small-business men in southwest Iowa, around Corning, and in western Wisconsin, in Baron County. In Iowa it costs more to feed a hog than the hog will bring at market—talked with three medium-size farmers—none expected to show a profit this year—bankers are refusing loans on smaller farms—the trend is toward bigness. A considerable number of younger men, those who started farming after the war are giving up, leaving the farm.

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Up in Wisconsin the dairy farmers, those of the family-size farm, don't seem to be hurting quite so much as the corn and hog men in Iowa. But their net income is down and good observers who spend all their time with them say a whole lot of Republicans are "thinking of changing their votes." In neither place was there any enthusiasm for the soil-bank proposal. The general opinion seems to be that it won't help the small farmer, and it won't work anyway, because more intensive cultivation and improved fertilizers will keep production about where it is. President Eisenhower didn't give the farmers any news when he told the Nation today, that "our farm people are not sharing as they should, in the general prosperity" they know that all too well, and there are many of them who predict that it won't be long before other segments of the economy will begin to feel the loss of the farmers'

purchasing power. One interesting aspect of the farmers' discontent is the criticism, and indeed abuse of Secretary of Agriculture Benson, and the lack of criticism of President Eisenhower. They blame him for Benson, but not for their condition. Many of them say Ike doesn't know anything about farming anyway. Insofar as they blame the President, it is rather like the sadness of neighbors when a father turns the prosperous home place over to an incompetent son, who doesn't farm it well.

But the thing that interested me about these farmers wasn't their politics. It was the men themselves. The sober and informed manner in which they will discuss the state of the Nation's agriculture, not just their personal problems.

Their concern about what is happening to this country in terms of bigness, not just bigger farms, but bigger everything. They care, in almost desperate terms about the individual. They worry, and they have a conscience, and a community sense when the young ex-GI can't make it and has to hold a closing-out sale, and go to town to look for a job. Down in Iowa the ground is brown and dry and cracked, they want moisture, but they also want to know what is going to be the result of the political mess in France. They argue about subsidies and price supports, and then wonder out loud if some way can't be found to use the wheat and corn we have in storage as an instrument of national policy in the struggle against communism. There is a quiet dignity and directness about these men that is both refreshing and encouraging to this weekend farmer. There are places in Wisconsin where the television aerials are as high as the windmills. The rich land lies under 16 inches of snow—towns are far apart—a low-flying plane shows you the tracks of manure spreaders in the snow. You tell the lakes from the land by the fact that there are a few men fishing through the ice—tiny black puppets on a huge white sheet—and flying in to Minneapolis, where this report is originating, I thought back over the 2 days and nights of conversation.

I don't know the answer to the farm problem. The farmers can't agree, they are divided, but they are thinking. I heard them discuss it with less heat and more concern and information than I have heard from their elected representatives, and they are listening and looking. I heard more intelligent, incisive comment and criticism of radio and television in 2 days than I have heard along Madison Avenue in many moons. People who plan radio and television programs, when they don't like a proposal dismiss it with the phrase, "But will they like it in Iowa, or Minnesota?" At least I found the answer to that one—if it's good, they will. The program planners ought to think a little more about those small houses and big barns, with the television aerial as high as a windmill."

Mr. HUMPHREY. Mr. President, Mr. Murrow is a good reporter. He calls his shots as he sees them. His graphic description of Midwest agriculture is something for all of us to think about seriously.

Mr. President, any good farm program is going to cost money, just as any other program to bolster our economy costs money. But costs are relative things, and they should not be distorted out of proportion.

We are inclined to create a national crisis over investing a billion dollars to save our agricultural economy, yet how many people even bother to know that our economic aid to Indochina alone, during fiscal years 1954 and 1955, totaled \$1,666,551,000?

That is what it is listed as in the ICA Operation Report of November 16, 1955.

For the same 2 years, we provided \$587,600,000 in economic aid to Korea, and \$249,275,000 in economic aid to Formosa.

Now, I am not complaining about these expenditures. They were made because it was felt necessary in the national interest to make them. I supported them.

But I certainly think if we can spend billions to lift the economy of other countries in far corners of the earth, it is mighty petty of us to be quibbling about costs of a farm program for our own American people.

In my opinion, funds used in our farm program are not really costs. Funds used to bring agriculture back into proper balance with the rest of our economy are an investment—not a loss. Such expenditures would be an investment in the greatest potential market available for our entire economy today.

Restoring the present 25 percent loss in farm purchasing power could and should be only the start toward developing the untapped markets for the products of American industry right at our own rural backdoor.

We expend vast sums for economic development of underdeveloped and underprivileged areas of the world, in the hope of creating new future markets for expansion of American business and industry.

Yet we are overlooking far greater potential markets among our own people in lower income brackets, who could more rapidly put increased purchasing power back into the economic stream of our own Nation.

Facts and figures I have previously presented to the Senate from the Grain Terminal Association's Family Farm Survey strongly support this contention—facts and figures obtained from farmers themselves, as to their needs for immediate purchases.

Before American industry and business aligns itself too far against effective action for economic recovery in agriculture, whatever the temporary price may seem to be, let it weigh carefully the vast potential contribution a prospering agriculture can and will make to the future of business and industry itself—and the loss business and industry must face if it lets that market continue to dwindle.

I want to conclude this comprehensive summary of farm policy and farm legislative debate with one theme.

We are making vital decisions starting tomorrow.

They are not just political decisions. They are decisions affecting the lives of people—of American people.

Quite frankly, at this stage, despite all the public predictions, I think no one can safely say the outcome. It is up to each Senator's individual conscience.

It is not a decision to be made recklessly or lightly. I have devoted a great deal of my time and energy to try and present a complete record of the facts and figures involved in this argument. They are all there in the RECORD to read, if Senators will take time to check them.

I have devoted a great deal of time to going among farm people, and working with farm people.

Quite frankly, I am so convinced they are being wrongly treated that I have put aside other vital issues of keen interest to me—to fight for what I believe is justice.

I ask my colleagues to consider this issue in that light.

Underlying all our considerations of agricultural policy in this country must be continued recognition of the human elements involved, the human and social values that are far more important than material values.

America is not just efficiency and bigness. America is people—people with needs and wants. People with hopes and aspirations. American agriculture is more than just efficient production. It is family living. It is church on Sunday. It is the family picnic, and the rural school.

The moral level of American social and political institutions is due in no small part to the wholesome atmosphere created by men and women and their families who live on our family farms. That contribution to America's strength must never be ignored, nor its preservation neglected.

The strength of America is in its people—its people at work in gainful employment, its farmers producing at fair prices, its merchants selling their foods and services in sufficient volume to maintain a profit.

The strength of America is to be found in the children in good schools, its old people cared for in dignity in the twilight years of their lives.

The strength of America is found in the fulfillment and practice of the great spiritual and moral principles that have guided us throughout our history. Yes, the strength of America is found in a faith in God, and a trust in the people.

It is this kind of America I believe in, and it is to this kind of an America that I dedicate my life and whatever talents God may have given me.

And it is for this kind of America that I believe it is essential we maintain a strong and prospering agriculture, solidly based upon family farms.

Mr. DANIEL. Mr. President, each major segment of our population depends for its prosperity on the continued health and vigor of the other major segments. Today we have the spectacle of agriculture, a vital partner in the national economy, being faced with the most serious crisis in years, while the other two partners—industry and labor—enjoy record prosperity. How long can this paradox continue?

Remembering that every depression in our history has been preceded by a break in farm income, all Americans should ponder this question well, and we here in Congress who have the responsibility for doing something about it, must take prompt and forthright action to help agriculture regain its fair share of the national income.

My purpose in making these remarks today will be threefold: First, to analyze the situation as I see it; second, to point out what I consider to be some of the

basic weaknesses of the measures being taken and others being proposed; and third, to offer a few suggestions which I hope will help to achieve a workable and effective farm program.

To diagnose just how serious the ills of agriculture have become, let us examine, first, the decline in farm income; second, the shift in our rural population away from the farms and into the urban centers; third, the tendency of larger farms to "gobble up" the smaller ones; and fourth, the continued increase in farm production despite acreage cut-backs, declining foreign market, and ever-mounting surpluses of farm commodities.

Net farm income in the United States declined 28 percent between 1952 and 1955, according to a report of the President's Council of Economic Advisers. This reduction was more than 10 percent for the 1 year from 1954 to 1955 alone. On the other hand, during the same 3-year period between 1952 and 1955, corporation profits after taxes increased 39 percent.

The decline in farm income is not reflected in lower prices to the consumer. For farm products as a whole, the shrinkage of that portion of the housewife's dollar going to the farmer has been 14 cents in the 9 years following the post-war year of 1946. The farmer at that time got 52 cents of each dollar spent by the housewife on food, but now he gets only 38 cents. A preliminary estimate by Department of Agriculture economists shows that United States consumers spent \$46.3 billion on domestic farm food products in 1955. This is based on retail cost at the grocery store level and does not include that spent in restaurants. Of this amount, the farmers received \$18.3 billion, and the handling costs totaled \$28 billion. Significantly, the profits going to food processors were up 17 percent during 1955 over 1954.

With reference to the shift in farm population, according to an estimate prepared by the Bureau of the Census in co-operation with the Agricultural Marketing Service, the number of persons living on farms decreased 3.2 million from April 1950 to April 1954, or a total of 12.6 percent during those 4 years.

I have watched this development in my own State of Texas with deep concern. The farm population in Texas is the lowest it has been since the 1870's, and nearly a fifth of the population left in the last 4 years, a survey by Dr. R. L. Skranbanek, agricultural economics professor at Texas A & M College, reveals. This survey showed 1,126,000 persons living on Texas farms and ranches in 1954 compared with 1,387,000 in 1950—a drop of 18.8 percent in 4 years. As of the time of the survey in 1954, only 13 percent of the State's population lived on farms and ranches, compared to more than 40 percent 25 years ago.

As our farm population declined, the number of farms has gone down, and those that remain have grown larger. This is graphically illustrated by figures from the 1954 Census of Agriculture, for which a preliminary report has only recently been issued by the Census Bureau. This report shows that there were 600,000 fewer farms in the United States in 1954

than in 1950, and the percentage decrease of 11.1 was greater than for any other census period for which there are census records. The number of farms in 1954 was smaller than for any year since 1890.

Contrasting this overall picture with what is happening among the larger farms, we find that the number of farms of 1,000 acres and over has doubled during the last 30 years and has gone up 7.5 percent from 1950 to 1954 alone. Farms of 500 to 999 acres have increased by 55.5 percent in the last 30 years and 5.1 percent since 1950.

Most of the decrease in the number of farms from 1950 to 1954 occurred among those of from 10 to 100 acres, which declined 17.8 percent. Some will point out that mechanization has enabled our farmers to cultivate larger tracts, and that farms of 10 to 100 acres are no longer representative of family-size operations. Granting this to be true for the sake of argument, census records show that farms of from 10 to 220 acres, which would cover family-operated farms in most areas, also declined 15.8 percent from 1950 to 1954, or nearly 1 out of every 6.

Taking my home State of Texas as an example, the Census Bureau reports that there were 39,000 fewer farms in 1954 than in 1950, and the average size of farms in Texas increased by 60 acres from 438 to 498 acres. Particularly important is the fact that family-size farms of from 10 to 220 acres showed a decline in number of 18.7 percent, or about 3 percent more than the national average.

While the larger farms represent only a small percentage of the total number, they account for a considerable portion of our total agricultural production. In the case of cotton, 7.4 percent of the growers—those with allotments of 50 acres and over—account for 46 percent of the cotton grown in this country. In the case of wheat, farmers having allotments of 150 acres or more represent only 8.9 percent of the total number but account for 57.8 percent of the total national production.

Perhaps even more striking is the size of certain Government loans for price-support purposes. For instance, one big land company in Mississippi got a cotton support loan in 1954 of nearly \$1.3 million. The largest wheat loan that year went to a Montana grower for \$430,691, while a Louisiana farmer obtained the largest rice loan for \$486,726. It is interesting to note that the average wheat loan in Montana for 1954 was \$4,926, and the average rice loan in Louisiana was \$5,107.

Despite reduced acreage and other control measures, crop production in 1955 almost equaled the 1948 record and considerably surpassed the total for any of the past 6 years. According to the Department of Agriculture Annual Crop Summary for 1955, the combined acreage of principal crops harvested was the smallest since 1940, but generally high yields per acre more than offset acreage reductions.

Production of corn for all purposes last year was estimated at 175 million bushels

more than in 1954. A 1955 cotton crop of 14,663,000 bales exceeded the crop of a year earlier by a million bales and the 1944-53 average by 1,671,000 bales. Peanuts, picked and threshed, totalled 57 percent above 1954. Production of oats, barley, rye, and grain sorghum—spurred on by reduction of acreages in allotment crops—reached 2,228,530,000 bushels, some 120 million more than in 1954.

Meanwhile, the Government's investment in farm products has climbed to \$8,666,309,000 or about \$1.5 billion over a year ago. Present holdings would be even higher except that the Government has donated more than a billion dollars worth of these commodities for needy persons at home and abroad during the past year.

Now I should like to point out a number of defects which I believe exist in the measures presently being taken to alleviate this situation and others which have been proposed.

First, flexible price supports reduce farm income but not production. This was amply illustrated by the Chairman of the Agriculture Committee, the Senator from Louisiana [Mr. ELLENDER] in his opening address on the bill presently before us. To reemphasize the point, however, I will call attention to our sad experience with dairy products, over which there are no production controls and for which the beneficial results from lower supports, if any, should be readily apparent. In 1953 with a support level of 90 percent of parity, total milk production on all farms amounted to 121,149,000,000 pounds.

One year later, after Secretary Benson had dropped the support level to 75 percent of parity, total production climbed to a new record high of 123,502 million pounds. The same situation prevailed in 1955, with dairy farmers reaching another new record of 124,500 million pounds.

The reason is simply this: A farmer has certain fixed costs—interest and principal on his farm mortgage, installment payments on farm equipment, living expenses for himself and his family. These cannot be reduced, at least not for a sustained period, and in order to make up for his loss in price on the commodities produced, he is forced to increase production. He cannot turn his production on and off like a faucet; he must continue to produce in the hope that prices will stabilize by harvest time.

Second, acreage controls also do not necessarily control production. One of the best examples of this is cotton. In 1954, American farmers harvested 19,251,000 acres and produced 13,696,000 bales. A year later, with estimated harvested acreage down to 16,882,000, production was up nearly a million bales to 14,663,000. Of course, the answer is that through the increased use of fertilizer and other good farming practices, the yield per acre was increased from 341 pounds of lint in 1954 to an estimated 416 pounds per acre in 1955.

Third, production controls are not the only, or even the best, solution to this problem. It stands to reason that no matter how high a price the farmer obtains for the products he raises, he will not be able to meet his fixed costs if his

production is cut back to a negligible amount. Excessive production controls will also in time remove the American farmer from the world market for agricultural products, since farmers in other countries will certainly jump to fill the vacuum caused by withdrawal of United States exports. In a world desperately in need of food and clothing, the only real and permanent answer is to expand the market for agricultural commodities raised in this country.

Fourth, our export program up to now has been totally inadequate to maintain our historic share of the world market, much less to enlarge it as a further outlet for growing domestic production. Secretary of Agriculture Benson has had and now has plenty of authority to sell American-grown commodities in world trade through normal channels. Until recent months, he would not sell at competitive prices, but has made the support price the offering price in world trade. As a result, we have deliberately promoted increased world production in foreign countries for export by holding an umbrella over prices which foreign producers can demand for their commodities. This course is an open invitation for foreign expansion in the same commodities which are in trouble in the United States, and foreign production has increased at approximately the same rate that we have decreased our farmers production.

After 3 years of vigorous prodding by the Congress, its committees, and individual Members, the Department of Agriculture has only recently started to offer United States commodities in world trade on a competitive basis. Significantly, this came only after 62 Senators, including the junior Senator from Texas, had joined in the introduction of S. 2702, to require the Commodity Credit Corporation "to use its existing powers and authorities to encourage sales for exports of such quantities of cotton as will reestablish and maintain the fair historical share of the world market for United States cotton." This language is also contained in section 303 of S. 3183, the bill we are presently debating.

Fifth, American foreign aid has built up agricultural production in other countries to compete with our farmers for the export market. During the 7 years between 1948 and 1955, United States foreign aid provided nearly a billion dollars to promote agriculture in other countries and created \$710 million of counterpart funds for the furtherance of agriculture abroad. The International Cooperation Administration and its predecessor agencies granted a total of \$476,819,000 for agricultural machinery, tractors, and equipment for foreign countries. Last year 738 United States agricultural technicians, whose salaries were paid by American taxpayers, were on duty overseas, helping to increase farm production. While we certainly want to help to build up the economy of underdeveloped countries, that assistance should be limited to their own needs for domestic purposes and they should not be encouraged to compete with American farmers for the world market. It is high time that the State Department should give a little considera-

tion to the people back home who must pay the bill for foreign aid and who do not want to cut their own throats in the process.

Sixth, only 40 percent of the cultivated land in the United States is planted to so-called basic commodities and would receive the benefit of 90 percent of parity price supports. Other protective measures are provided for the non-basics—discretionary support levels for feed grains other than corn, section 32 funds for the purchase of pork products, vegetables, and other perishables—but these measures have not given the same assistance as they have for basic commodities. As to the 60 percent of his land, the farmer in general is either losing money or is barely meeting expenses. This has a direct and serious effect on the basic commodities, particularly the competition which oats, barley, rye, and grain sorghums have given to corn in the feed market.

Seventh, the soil bank plan will have only a very limited benefit and will not adequately protect tenant farmers. While soil conservation is always a worthy objective, I believe it is a mistake to assume that paying the farmer for taking land out of production will have any lasting effect in restoring to him his fair share of the national income. Since our Government continues to increase foreign production and withholds American commodities from sales in world markets on a truly competitive basis, this dose of aspirin is just another move toward limiting production to domestic consumption.

This program will be dependent on the whims of succeeding administrations and Congresses, and it is well worth remembering that election year comes only once every 4 years. If our farmers and the public in general are led to expect a bonanza from the soil bank, they will soon wake up to find that it has not been the cure-all it has been recommended to be for solving the real problems of agriculture.

As to the protection of tenants and sharecroppers, I note that the bill leaves this entirely up to the Secretary of Agriculture. Remembering the present Secretary's view that many of these farmers would be better off by moving to the city, I wonder how effective will be the regulations he will promulgate under this authority. With the prospect of receiving attractive pay for permitting their land to lie idle, it appears to me that unless the Secretary's rules and the penalties for violation are very specific, landlords will find some way to make it convenient for the tenant to move.

Eighth, a change in the loan basis on cotton from middling $\frac{7}{8}$ -inch cotton to the average grade and staple, as proposed in the pending bill, will work a hardship and loss to all cotton farmers. Government loans on cotton have for years been made on the basis of $\frac{7}{8}$ -inch staple, which has become known as "the bread and butter" cotton raised and produced by the average American farm family. Relatively speaking, there is not an excessive amount of short staple cotton in Government-held stocks, and there is no reason why producers of the shorter staples should be discriminated

against. I am told by the proponents of the bill that it also will reduce the price paid for all other cotton, and that leads me to object even more to this provision. I hope this proposal will be deleted by the Senate.

Ninth, minimum cotton allotments for the small farmers are desperately needed, but the proposal in the committee bill would take 54,000 acres away from Texas and give it to other States for this purpose. Under the plan for the establishment of a national 1-percent reserve to provide minimum allotments of 4 acres or the highest acreage planted in the preceding 3 years, Texas would be forced to contribute 74,109 acres and would receive a State allocation of only 20,400 acres.

Tenth, new or modernized parity in most cases simply means lower parity, lower support levels, and lower farm income. The original farm program, as I understand it, envisioned that price supports should be a percentage of the comparative purchasing power which the farmer had in 1909-14, and determined by Congress to be a fair base. Under that formula, the price guaranteed the farmer was based on a parity which rose with increasing costs the farmer paid and fell with decreasing costs. Under the new or modern parity, it appears to me that price supports are based not so much on maintaining the average purchasing power of the farmer but largely on the average price the farmer has received for the past 10 years. This, of course, was during a period when farm prices were falling and farm costs were rising. Thus, rather than relieving the price-cost squeeze, the new or modern parity would further aggravate the situation. For that reason, I heartily commend the provision in the committee bill to require the Secretary in the case of basic commodities to use the old parity price or the modernized parity, whichever is higher, but this measure should also be extended to the non-basic commodities.

Eleventh, farmers in the drought area have not received the assistance they need under present agricultural programs and stand to lose more by the operation of the soil bank plan. With all of the legislation passed by Congress to provide emergency credit, feed, and other assistance, farmers hit by the drought are finding that when these programs reach the county and farm level, they are hedged about with conditions and restrictions so as to become practically worthless. Let us take the much-publicized Great Plains program as an example. I have before me a telegram from Mr. H. L. King of Brownfield, Tex., a State director of the Texas Farm Bureau. Mr. King's telegram reads in part as follows:

Reference to the Great Plains emergency loan. This loan is not working. Apparently the spirit of the law has been misinterpreted by the heads of FHA in Washington. The directives to the local offices from Washington make this loan unusable to the farmers for which it was intended. As you know this area is a portion of the special area which was designated as being in a disaster condition because of the 5-year drought. We feel that the intent of the law is good and if properly applied would be the

salvation to the farmers in this area. * * * Long term loans are a must for the farmers in this area. Because of the urgency of this matter, hope you will give it your earliest consideration as time is running out.

As to the soil-bank plan, I note on page 10 of the committee bill that compensation to farmers for taking their land out of production "shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return" and that several factors are listed for his consideration. On pages 15 to 18 of the committee report, I note that tentative proposals are outlined for implementing the soil bank. If I understand these proposal correctly, the rate of compensation will depend on a normal yield for each county and community based on average production over the last 3 years, 5 years, or some such period.

That being the case, I point out that average production over the past few years has been well below normal production in the drought areas. However, I find nothing in the bill which would exclude those years. This, like so many other things, is left to the discretion of the Secretary. At least some of the farmers in the drought area would like to participate in the soil-bank program, but they will be penalized further if their return is figured on average production in recent years. They have already suffered a great deal from the reduction in acreage allotments and need some means to recoup their losses in income. I shall offer an amendment on this subject.

Mr. President, it takes no expert to see that the present farm situation is deadly serious and that there is no simple panacea for solving the problems which confront us. Certainly I do not claim to have the answer, or even a full appreciation of the obstacles which must be overcome to achieve the answer. However, I wish to point out a few basic principles which I believe should be included in any effective and workable farm program.

First and foremost, whatever plan is finally adopted should be designed primarily to assist the full-time farmer who, with his family, operates a comparatively small farm and has little or no income from outside sources. After all, despite the increase in the average size of farms and the number of large farms, this is still predominately a nation of small farms. The 1954 census of agriculture reveals that 82.5 percent of all farms in the country produced commodities having a value of less than \$10,000 each, and 61.2 percent produced less than \$5,000 each. Only 4 percent had gross individual production valued at \$25,000 or more.

The entire farm program suffers when we have cases, exceptional as they are, such as the price support loan of \$1.3 million to a Mississippi cotton-growing corporation. On the other extreme, it is not a healthy condition for our country when family farmers who have followed this occupation for generations are forced to leave their farms, not because they can make more money or prefer life in the city, but because the crops they are permitted to produce have been reduced so drastically that they can do longer make a decent living.

For this reason, it appears to me that there should be some point at which price support benefits will be cut off, either at a gross-income figure or at a net-profit figure. Consideration should also be given to graduated price supports, beginning at 100 percent of parity for the small farmers with decreasing support levels as the rate of production increases. The same principle might be applied to acreage allotments, if production controls must be based on acreage at all. In any event, there should be some minimum allotments below which farmers would not have to suffer the same cutback as those cultivating thousands of acres. Another proposal, which I believe was sponsored by the chairman of the Committee on Agriculture, the Senator from Louisiana, would deny price supports to anyone who customarily derives more than 50 percent of his income from nonagricultural occupations, and I think some such amendment would be advisable.

Second, provision should be made to assist farmers on that portion of their cultivated land which is not devoted to the basic crops. When acreage allotments are so greatly decreased on the basics, farmers turn to feed grains and other nonbasic commodities in the hope that some small benefit will come to them.

To remedy this situation, I have offered an amendment to establish price supports of 90 percent of parity on barley, oats, rye, and grain sorghums, provided that 20 percent of the total cultivated acreage on each participating farm is taken out of production. This will give the farmers another cash crop on which to make a fair return, and it will also cut down on the surplus of feed grains and other commodities.

Third, serious thought should be given to production controls expressed in pounds, bushels, or bales, rather than in acreage allotments. Some farmers differ with this approach, knowing that under acreage allotments, they can use fertilizer and other chemicals to produce just as much as they ever did. However, whenever they do this, they suffer another acreage reduction the next year and with the same or increased overhead costs. Small farmers cannot afford this reverse pyramid indefinitely.

Fourth, some way must be found to sell more American farm products in the world market at competitive prices. With the provision in the committee bill for a mandatory export sales program on cotton and in view of the recent efforts of the Agriculture Department, it appears this commodity is belatedly receiving the attention needed so badly. I am also pleased that the bill contains authority for a two-price plan on rice, which will move more of that crop into world trade. The National Association of Wheat Growers, whose president is Kenneth Kendrick of Stratford, Tex., has recommended a similar program for wheat. I understand this proposal will be offered in the form of an amendment to the committee bill, and a two-price plan for cotton may also be offered.

Fifth, added caution must be taken to assure that the foreign aid program does not destroy the world market for the

crops grown in the United States. A continuation of the present policy, coupled with tax concessions for Americans who invest abroad, could well wreck the farm program now in effect or the one we approve in the Senate this year or in any other year. Foreign aid to place backward nations on a self-sustaining basis is a generous move, but charity begins at home, and it is going too far to deprive our own farmers of their historic markets and relegate them to a permanent Government dole.

Sixth, the return to the higher of old or modernized parity on basic commodities should be extended as well to nonbasic crops. With Secretary Benson "flexing" support levels downward, particularly for nonbasics, where he has absolute discretion, the farmers need this added protection. Also, feed grains specially have a direct relation to corn, one of the basics, and it is discriminatory to have corn on old parity and feed grains on new or modernized parity.

Seventh, greater assistance should be provided to those areas of general crop failure, whether from drought, flood, hail, or some other natural disaster. We have heard much about flood insurance, disaster assistance to relieve flood conditions in the Northeast, and Federal assistance to areas of serious unemployment. I realize the bill deals primarily with price supports, acreage controls, and the like, but I hope we will have the support of other Senators for legislation, if needed, to liberalize emergency credit to farmers in the drought area. I have also prepared an amendment to the present bill to spell out that "average production" under drought conditions in recent years does not mean "normal production" within the purview of the soil-bank plan, and that such years will be excluded from consideration.

As pointed out at the beginning of these remarks, American agriculture stands today at the crossroads. The question facing Congress, the farmers, and the American people is whether this vital segment of our national economy will continue to deteriorate, or whether we shall help it rise up and march in step with the prosperity of industry and labor to a greater future. I hope and pray it will be the latter.

ORDER FOR RECESS UNTIL TOMORROW

Mr. ELLENDER. Mr. President, I ask unanimous consent that when the Senate completes its work this evening, it stand in recess until tomorrow at 12 o'clock noon.

The PRESIDING OFFICER (Mr. DANIEL in the chair). Without objection, it is so ordered.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. STENNIS. Mr. President, I have the honor to be one of the Senators from the State which derives from cotton a higher percentage of its agricultural income than does any other State in the Union. Even though Mississippi is

smaller in geographical area that the great State of Texas, we are second only to Texas in the total production of cotton. Sixty-nine percent of the farm income of my State for a recent year was represented by cotton and cottonseed products. In a more recent year, 1954, the percentage was 61 percent.

We have the large farm, the intermediate size farm, the small farm, and the very small farm. We have the large operator, we have rich delta land, we have prairie land, and the very small farm in the hill sections.

Cotton is the only major basic crop in my State which has a price support. Rice is grown in Mississippi, and that commodity also is supported; but the production of rice is relatively small.

I am certainly not indifferent to the fate of other commodities, such as wheat and corn, but I mention cotton to emphasize that it is the big income-producing agricultural commodity of my State. Our cotton economy effects to a great extent our total economy. If the cotton program is sound, we benefit greatly. If it is unsound, we suffer more than does any other State in the Union.

Tonight I intend to discuss briefly, in order to get the matter before the Senate, one amendment which is already in the bill. I wish especially to thank the Committee on Agriculture and Forestry for the consideration of what I call a very small farm amendment. It relates only to those farms which have 4 acres or less. That size farm would be doing exceedingly well to produce 3 bales of cotton. On the average, such farms will not produce that much cotton. Many of the farms about which I have been talking comprise less than 4 acres. In many instances the farms have been reduced to 2 acres, some to 2½ acres, some to 3, and some to 3½ acres. The small farm that produces 3 bales of cotton would be doing exceedingly well to make a cash profit of \$150. That is equal to only 150 hours of work a year, at a minimum wage of \$1 an hour, which means that a man would be working less than 4 weeks a year, at 40 hours a week, in order to earn \$150.

I use that illustration to show how reduction of acreage affects a small operator. There is in effect a minimum below which wheat farmers, tobacco farmers, and peanut farmers cannot be cut. They all have a protective minimum acreage. Cotton farmers also had that protection until a few years ago.

Mr. President, the amendment is based purely on social reasons. The purpose is not to take acreage away from one State or from one group and give it to another, but it is based solely on the social question involved in the problems of small farms. The amendment proposes to set up a national reserve of 1 percent and a State reserve of 3 percent of the State acreage, or so much thereof as may be necessary to build up enough acreage so that no person's acreage is cut below the smaller of 4 acres, or the highest planted acreage in 3 previous years.

I think it is of great interest to note that by the adoption of a small measure of that kind, 407,748 farms throughout the Cotton Belt would be affected to the

extent of receiving one-tenth of an acre and up. It means that an estimated 2,038,740 people would be affected by such a small amendment. It does not mean so very much in acres, and it does not mean so very much in dollars, but for a small farmer's year's planting and his year's work and his year's net income, or what he may realize, it certainly means a great deal.

Continued acreage reductions will hit the small farmer harder than it will hit any other group. Under the present law, the scheduled acreage reduction for cotton in 1957 would liquidate many of our small farms.

Mr. President, I plan to offer an amendment which will prevent further reduction for 1957 and 1958. We must not permit our cotton farm to be subjected to continued acreage reduction. Acreage has already been reduced to the point that the small farmer cannot efficiently utilize his family labor and other resources. Most of the little farms supply their own labor, and do not have to pay any out-of-pocket money. That is the reason it means so much to them.

There is another amendment, Mr. President, which has been drawn, and which will be offered, which tries to carry out the idea that the national reserve for small farms will not change the historical record of a State. That will be presented at the appropriate time.

I should like to have the RECORD contain a few more figures as to the number of farms in the various States which would be affected by the minimum small-farm amendment.

In the State of Alabama 64,274 farms would be affected.

In the State of Georgia 48,594 farms would be affected.

In the State of Mississippi 53,645 farms would be affected.

In the State of North Carolina 59,167 farms would be affected.

In the State of Texas 43,963 farms would be affected.

I proceed now to discuss another amendment which I shall offer on the floor at the proper time. Briefly, it would put a floor under cotton acreage for the calendar year 1957 and 1958.

One of the primary reasons for offering that amendment is to try to stop continued acreage reductions. We in Mississippi have gone just as far as we can go. That is especially true with reference to what I shall call the homestead farm, the acreage of which is larger than the acreage of farms I have just talked about. I refer particularly to the 5-, 10-, 15-, 20-, 25-, and 30-acre farms.

In 1953 we had a planted acreage in Mississippi of 2,671,000.

I am speaking now only of my own State, but it is typical of most of the southern area.

In 1954 we had an acreage reduction of 26 percent.

In 1955 the total reduction from the 1953 level was 36 percent.

In 1956 the acreage is down to 1,600,000 acres, which means a 40.1 percent reduction from the 1953 level.

I have figures based on best possible estimates available which show that in

1957 the national cotton acreage allotment will be reduced by 1,549,720 acres. This reduction, applied to Mississippi, will give an allotment of only 1,395,000 acres. This means a total reduction in acreage from the 1953 level amounting to 48 percent.

As applied to my State of Mississippi, that amounts to a reduction of 11.4 percent in 1957 from the 1956 allotment.

The reduction will be 9.8 percent for the Nation.

When we apply that 11.4 percent reduction to the counties in my State, those in charge of the program at the State level tell me that in many of the counties that reduction will be as high as 15 percent for 1957.

Those are the very counties that have been hit the hardest in the reductions I have been enumerating, which reductions totaled 40.1 percent in 1956 from the 1953 level. So these figures were really alarming and surprising to me, and made me realize that one of the great threats to my State is the continued acreage reduction.

Mr. President, our farm economy cannot stand this continued reduction in acreage. Already in the Cotton Belt, through acreage reductions, 55,348 tenant farmers have had to leave the land; I refer to tenant farmers, not landowners. My State of Mississippi had the highest number of that unfortunate total, namely, 11,981. These figures apply only to the calendar year 1955. I repeat that the total in the Nation's cotton areas was 55,348; and 11,981 of that number were in Mississippi. More than 300 of those tenants were from my home county—a relatively small rural county in eastern Mississippi. The total displacement for that county alone, because of acreage reductions in only 1 year, was approximately 300 tenants—according to the estimate by the authorities; and in that 1 year, approximately 200 persons left the land they owned in that county, because the acreage reductions were so great.

People I know personally, who have lived on land owned by their families for more than 100 years, have been forced to abandon the land insofar as cotton farming is concerned, and in some cases have been forced to abandon the land altogether, because of the reduced acreage allotments. That situation is not confined to the very, very small farms; the continual decrease in the acreage allotments has severed the life vein of the 15-acre, 20-acre, and 25-acre farmers, in the same way. They have their own family labor, and they own the land, and they have the facilities with which to work the land. But they do not have a sufficient number of acres to work to enable them to make even a bare living from the crops produced on those acres.

In great areas of my State—and this has been going on for a long time, not only during the past 2 years—the land is being bought up and fenced in. A great deal of that is being done with what I call war-profit money. Persons who made a great deal of money during the war are coming into the area and buying the land and fencing it and even burning the old houses, and pushing over

with bulldozers anything that will not burn. The people who live there have gone. That is occurring from year to year. When the people go, the little crossroads stores go; the churches go, and the schools go; and when those go, the smalltown merchants go.

Something must be done. I know we cannot stop all such developments, and I do not expect that to happen. A great adjustment is occurring. But something must be done by means of this program, so as to give the farmers I have described—those who have 10 acres or 20 acres or 25 acres—a chance to make a living of a kind on their own land, a chance to diversify, a chance to rebuild and improve. However, if their acreage allotments are reduced below the minimum absolutely necessary in order to obtain sufficient income from their farms, and if they do not have a chance to till the soil and to grow the products they must grow if they are to make a living, then they are waging an impossible battle, and they are bound to lose.

Mr. President, I have before me a table for the cotton acreage allotments, based on the calculations for 1957. I ask unanimous consent to have the table printed at this point in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cotton acreage allotments

State	1956 allotment	Estimated 1957 acreage allotment	Indicated percent reduction, 1957
Alabama.....	1,025,141	905,503	11.7
Arizona.....	343,640	328,995	4.3
Arkansas.....	1,424,511	1,271,412	10.7
California.....	782,405	737,294	5.8
Florida.....	36,974	34,111	7.7
Georgia.....	903,221	805,369	10.8
Illinois.....	3,110	3,110	-----
Kansas.....	29	29	-----
Kentucky.....	7,799	6,841	12.3
Louisiana.....	610,891	543,435	11.0
Maryland.....	25	25	-----
Mississippi.....	1,646,562	1,458,671	11.4
Missouri.....	378,055	341,192	9.8
Nevada.....	2,324	2,324	-----
New Mexico.....	179,378	167,373	6.7
North Carolina.....	483,932	428,152	11.5
Oklahoma.....	845,616	755,397	10.7
South Carolina.....	726,193	649,484	10.6
Tennessee.....	563,491	510,886	9.3
Texas.....	7,410,893	6,877,025	7.2
Virginia.....	17,114	14,956	12.6
United States.....	17,391,304	15,841,584	8.9

Mr. STENNIS. Mr. President, let me present a few more figures regarding the effect of acreage allotment reductions on farm income in Mississippi, alone. I have before me the figures for the cotton acreage for Mississippi in 1956, which show the estimated decrease in gross income since 1953 resulting from decrease in acreage. These figures are based on 90 percent of parity. The figures show that, based on the 1953 level of income for cotton as an index, farmers will receive only 55 percent of parity in 1956, on a dollar equivalent because of the loss of over 1 million acres during this period. For 1957, with the indicated acreage, that percentage will decline to 49. That is the inevitable trend as a result of continued acreage reduction.

In my State and, I believe, in many other States, if it had not been for the

most unusual yield—the highest yield of cotton per acre, last year—the distress and the pinch and the suffering would have been far greater than have yet been experienced. However, the level of production was better than normally would have been the case—due in part to better methods, but also due in part to one of the most unusual growing seasons. Men who have grown cotton for more than 60 consecutive cotton crops have never seen the equal to that high yield.

Mr. President, I hold in my hand, and shall refer to only a part of it, a very fine article which was published in the Wall Street Journal under date of March 5, 1956. The article was written by Jerry Bishop, a reporter for that publication. He was reporting from Waxahachie, Tex. I now read from the article:

WAXAHACHIE, TEX.—Cotton farmer Lloyd Adams was turned down the other day for a \$1,200 loan by the Citizens National Bank here. It was the first time in 25 years the bank had refused Mr. Adams, who needs the money to pay farming expenses until his crop comes in next fall.

"You just wouldn't be able to raise enough cotton on 25 acres to pay it back, Lloyd," explained E. M. Wallace, the bank's vice president.

IMPORT OF ACREAGE CUTS

A good part of Mr. Adams' difficulty stems from acreage cutbacks he has had to make to qualify for price supports. Federal allotments for 1956 are 30 percent below 1953, the last year cotton was grown without acreage restrictions. The Smiths have had to curb their plantings, too, but the economic pinch has hurt less on their sprawling acres.

In addition to cutbacks, farmers like Mr. Adams have been getting less for the cotton they did grow. In mid-December, prices received by cotton farmers averaged about 31 cents a pound, down nearly a cent and a half from a year earlier and only about three-quarters of the peak 1950 price.

The price decline, nowise limited to cotton farmers, is reflected in the skidding national farm income, which in 1955 dropped to an estimated \$11 billion, down \$1.3 billion from 1954 and off a whopping 26 percent from 1951.

THE BIG SURPLUS

Hovering over the cotton market is, of course, the 11-million-bale surplus stacked up in Government warehouses. This lofty pile is expected to rise even taller—to a record 14 million bales by next August.

Mr. Adams, 49 years old and graying, is typical of the small farmer who has cultivated much of the cotton-producing South since the end of the 19th century. His farm is the traditional small family farm. In the 1920's he and his father helped make their home county, Ellis, one of the top cotton producing counties in the Nation.

But in 1954, Mr. Adams, which isn't his real name, turned up in the farm census as 1 of the 936 Ellis County farmers each of whom had total produce valued at less than \$2,500. The number of such low-income farms in the county increased 50 percent from 1950 to 1954, mostly because of acreage cutbacks that left farmers with less cotton to sell.

I hasten to say that I know that a great many "Mr. Adamses" are going out of business because of the change in times. I do not make any plea that we should try to save them all, or provide a cushion for everyone. My plea in connection with these amendments is to stop the downward trend toward a continual reduction of acreage. The program is draining the life blood out of

some of our finest family units, and many of our sound economic units. Whatever the cost of stopping this acreage reduction, it is a cost which this program will have to bear. Whatever adjustments are necessary are adjustments which should be made in this bill.

I was attracted to figures which were presented today by a Senator who was speaking with reference to the wheat situation. With respect to wheat, there is a floor to prevent continual acreage reduction, year after year, the minimum being 55 million acres. If it were not for that floor, under the formula now in the law, that acreage would have been reduced 18.6 million acres—an unthinkable situation. It would depopulate the great Midwest, and the wheat-growing territory.

The same thing is happening with respect to cotton. The situation has already reached such a point that, in order to make this program sound for a great number of the very finest citizens in the very finest units, we shall have to insure that the acreage reduction will not continue.

I shall not go into that subject further at this time. Later I shall have an opportunity to present the amendments.

Mr. President, on behalf of myself and my colleague the senior Senator from Mississippi [Mr. EASTLAND], I submit an amendment, intended to be proposed by us, jointly, to the bill (S. 3183) to provide an improved farm program, and request that it lie on the table and be printed. I ask unanimous consent that the amendment may be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received, printed, lie on the table, and be printed in the RECORD.

The amendment intended to be proposed by Mr. STENNIS, for himself and Mr. EASTLAND, is as follows:

On page 32, before the quotation marks at the end of line 8, insert the following:

"Where the acreage contributed by a State to the national acreage reserve is in excess of the acreage received from such reserve for any year, an acreage equal to the product of such excess multiplied by the per centum which the cotton acreage history otherwise determined for the State for such year bears to the State acreage allotment for such year shall be added to the cotton acreage history otherwise determined for the State for such year for purposes of apportioning the national acreage allotment to States under this subsection for any subsequent year; and where the acreage received by a State from the national acreage reserve is in excess of the acreage contributed to such reserve for any year, an acreage equal to the product of such excess multiplied by the per centum which the cotton acreage history otherwise determined for the State bears to the State acreage allotment shall be deducted from the cotton acreage history otherwise determined for the State for such year for purposes of apportioning the national acreage allotment to States under this subsection for any subsequent year."

Mr. STENNIS. Mr. President, on behalf of myself, my colleague, the senior Senator from Mississippi [Mr. EASTLAND], the Senators from Arkansas [Mr. McCLELLAN and Mr. FULBRIGHT], the

Junior Senator from Alabama [Mr. SPARKMAN], the Senator from South Carolina [Mr. THURMOND], the senior Senator from Alabama [Mr. HILL], and the Senator from North Carolina [Mr. ERVIN], I submit an amendment, intended to be proposed by us, jointly, to the bill (S. 3183) to provide an improved farm program. I request that the amendment be received, printed, and lie on the table. I ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received, printed, lie on the table, and be printed in the RECORD.

The amendment intended to be proposed by Mr. STENNIS, for himself and other Senators, is, as follows:

On page 31, between lines 10 and 11, insert the following new section:

"ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

"Sec. 403. Sec. 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: 'Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956.'"

Mr. THURMOND. Mr. President, the announcement of the Department of Agriculture that income from farm operations dropped another \$1,014,000,000 in 1955 places an exclamation mark on the necessity for passage of the farm bill now being considered by this Senate.

Farm income has declined each year since 1951. Last year's estimated \$10,-770,000,000 in farm income for 1955 was 9 percent below the previous year.

We must take action to halt the downward trend and employ new approaches to push our great agricultural industry upward. I believe some of the provisions of S. 3183, which was reported by the Committee on Agriculture, will serve to accomplish this objective.

Any problem of the farmer is a problem of all the people of this Nation. We cannot separate the well-being and prosperity of the people on the land from the well-being and prosperity of all our people.

The farmers of this country not only clothe and feed our own people, they also provide the sustenance for a large part of the world. In fact they feed 60 percent of the entire world from food produced on 20 percent of the land. Food and fiber enter into the consideration of almost every economic, social, and political problem which we have to face.

Proof that action is vital to the well-being of the farmer and the Nation is contained in a further statement of the Department of Agriculture. This statement is that nonfarm per capita income climbed 5 percent last year, but farm per capita income dropped 6 percent.

Average per capita farm income last year amounted to only \$860. Nonfarm income averaged \$1,922 during the same period.

Mr. President, while Congress was in recess, I had the privilege of meeting

with a number of farm groups in South Carolina. Everywhere I went and listened to the people tell of their problems. From one border to another in my State, there was one inescapable conclusion to be drawn: Not only are our farmers dangling over the precipice of severely declining farm income, they are also hanging by a thin economic thread over the chasm of rising production costs.

Prosperity is bypassing the farmer as he swings precariously between the fearful depths of higher costs and lower income.

Farm prices were at a record high in early 1951. Since that time, farm prices have fallen off as much as 25 percent. Ten percent of this decline took place during the past year. At the same time the items essential to farm operations have been increasing in price.

The Government price index of wholesale commodities illustrates my point. Calculated on the base of 1947-49, the index in December for industrials was 119.4 percent. The index for agriculture was only 83.3 percent, the lowest since June 1946. But in June 1946 when farm prices were low, they were still 2.8 points above industrials instead of 36.1 points below industrials as they were in December.

The first months of this year have given the farmer no hope for relief under the present situation. It is the duty of the Congress to find a means of providing relief to this vital segment of our national economy—a segment which cannot be separated from the economy of the Nation as a whole.

Mr. President, I commend the Senate Agriculture Committee for reporting S. 3183, which I believe is generally a good bill. I believe the enactment of this bill, with a few amendments, will be a good start toward rescuing our farmers from the brink of disaster.

The committee has acted especially wisely in approving a return to 90 percent of parity for crop loans on the basic commodities and in approving an increase in dairy support prices. These provisions, plus the application of a dual parity, as proposed by the committee, will help to insure that our farmers will receive a fair share of the total national income.

Advocates of flexible price supports argue that high price supports will create larger surpluses and that lower price supports would make our surpluses disappear. Such an argument simply is not valid. As the distinguished chairman of the Agriculture Committee has stated previously on the floor, the advocates of flexible supports overlook the fact that the basic commodities are under strict acreage controls and marketing quotas. The level of price supports will not affect the quantities of basic crops produced on the acres allotted to the farmers for such crops. The records show that lower price supports do not bring about a reduction in the number of bales of cotton or bushels of wheat produced on a certain acreage allotment. At the same time, the facts and figures of the Department of Agriculture show that high price supports do not increase

the total production from a certain acreage allotment.

Opponents of high price supports have tried to make the people believe that farmers have been living off Government bounty. The truth is that payments to agriculture have cost little compared with the Government assistance given to industry since World War II.

Data prepared by a House Appropriations Subcommittee in 1954 showed that industry had received approximately \$45 billion since the war, most of these payments being in the form of reconversion grants.

On the other hand, the Commodity Credit Corporation program in support of basic crops cost only \$21 million during the first 21 years of operation. The support program on basic crops actually showed a profit of \$13 million through 1951; and over the entire 21 years through fiscal 1954, the CCC cotton and tobacco programs earned a profit of more than a quarter of a billion dollars.

A guaranty of 90 percent of parity to our farmers will not provide them with any special treatment. Labor's income is protected by minimum wage and collective bargaining laws. Some protection is given industry through tariffs. Rate fixing by Government guards utilities with the assurance of profits. And business has fair-trade laws.

Anything we can do for the farmer will be in keeping with the established practices of protection to the other major segments of the national economy. And that is not to mention the billions of dollars we are spending overseas to prop up the economy of foreign countries.

The committee's proposal for the soil bank and conservation reserve is excellent. We must offer a plan for voluntary reduction of planting and I believe the soil bank is the right approach. The conservation provision also provides an important guaranty that our soil will be ready for future use in the event emergency demands for production should arise.

I approve also of the committee presentation of a plan for regaining this Nation's historic share of the world cotton market. Some of our surpluses must be sold and I believe the sale overseas of cotton is the right direction for the alleviation of this problem.

Such a program also should help to force the State Department to recognize the reasonableness of the requests made for the negotiation of quotas on the importation of textile goods.

Wisely provided for in the bill is an acreage protection plan for our small cotton farmers. However, I would like to see 2 percent instead of 1 percent of the national allotment of cotton set aside to guarantee the small-acreage cotton growers a minimum of not less than 4 acres or 100 percent of their acreage for the 3 prior years. I was cosponsor of such a bill last year.

I hope the Senate will support the Stennis amendment to prevent further reductions in cotton acreage in 1957 and 1958.

Many small farmers in the South depend on cotton as their money crop. Without adequate acreage to make a

livelihood, they cannot continue to operate. I hope the Senate will support the amendment to accomplish this purpose.

In order to preserve our small farms and prevent acreage restrictions from driving more so-called little farmers off the land and many others into marginal operations, large corporation farms should be required to absorb more of the cutbacks. These larger farms can take greater percentage reductions of acreage and continue successful operations than the small farms can.

The loss of a single acre of a cotton allotment spells the difference between staying on the farm and being forced to seek other ways of making a living to many of our little farmers. I want to see those who want to stay on the farm be protected to the extent that they are not forced to give up.

I regret that the Agriculture Committee did not approve the request to place a dollar limit on the price-support system. This would have given further protection to the family-size farm.

Mr. President, the farm family was a basic unit in the development of our great country. I believe it will be just as basic in the preservation of the American way of life as it was in the establishment of the Nation. Strong moral, spiritual, and physical qualities—so essential to a great nation—are learned early in the farm family.

I hope the Senate will take such action on this bill now before us which will preserve this vital element in American life. I plan to support most of the provisions of S. 3183 and I believe it to be in the best interests of the Nation that the bill be enacted into law with minor alterations.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point resolutions adopted by the Orangeburg County Farm Bureau, which has been sent to me by its president, Mr. F. Mitchell Ott. The Orangeburg County Farm Bureau has more than 1,500 member families.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION FOR 90-PERCENT PARITY

Whereas the economic position of the Orangeburg County farmers is in jeopardy as a result of continuously falling farm prices and increasing farm costs; and

Whereas the Department of Agriculture is predicting even further price declines and increased costs in 1956; and

Whereas the sliding scale of farm-price supports holds no promise of correcting the situation; and

Whereas that the so-called modern parity formula will tend to lower parity prices on most basic crops: Be it therefore

Resolved, That we, the farmers here in Orangeburg, S. C., strongly recommend support prices to be restored to parity on all basic crops and that the so-called modern parity formula be discarded; be it further

Resolved, That we support a minimum 90 percent of parity support price program for any basic commodity when an acreage allotment and marketing quota program is in effect on that commodity.

RESOLUTION FOR SOIL BANK ACT

Be it resolved, That soil-bank plan as proposed in the present Congress gives little

promise of fair prices, and must not be accepted as of much help as to prices this year but only as a long-term measure.

Whereas we favor the development of a sound soil fertility bank program as a supplement to, and not as a substitute for, present farm programs.

RESOLUTION FOR IMPORTS

Resolved, That this assembled group of farmers go on record in opposition to any importation of farm products that are being produced in surplus in the United States.

Whereas we oppose changing basis for support price on cotton from $\frac{3}{8}$ -inch middling to 1 inch middling. We support $\frac{3}{8}$ -inch middling as basis.

Whereas we recommend the establishment of lower grades than presently provided for cotton eligible for price supports. We also urge price support commensurate with grade be given on all split grades of cotton.

RESOLUTION FOR EXPANDED SCHOOL LUNCH

Whereas the health of our young people of these great United States should be of paramount concern; and

Whereas the surpluses of our country merit the consideration of a stamp plan to get surplus commodities into the hands of the needy, underprivileged and tax-supported institutions, such as mental hospitals, schools for the blind, and the like: Now, therefore, be it

Resolved, That we urge immediate adoption of a stamp plan for increasing the amount of surplus commodities for use of our school-lunch program, to the needy, aged, and the underprivileged when in tax-supported institutions.

We urge you to do all in your power to get legislation passed before planting time of our basic crops in the South.

Mr. HOLLAND. Mr. President, the debate on the pending measure has developed the largest number of queer inconsistencies I have ever seen with reference to any one measure debated on this floor since I have been a Member of the Senate.

In the first place, with reference to the cotton problem, which has just been mentioned by my distinguished friend, the Senator from South Carolina [Mr. THURMOND], it is being seriously urged by a group of Senators that cotton be restored to 90 percent high, rigid price supports, when the Members of the Senate who know most about the cotton industry—and I am referring particularly to the Senator from Mississippi [Mr. EASTLAND] and the Senator from New Mexico [Mr. ANDERSON]—and when large organizations in the cotton industry, without any exception, say that it is simply committing hara-kiri of the most complete sort for the cotton industry to continue to force itself to the high level price supports which have already priced cotton out of the foreign markets of the world and, in addition, have opened the door to the much more serious competition from synthetic products here at home.

It sounds almost as if people had not read the RECORD, when such a position is taken with reference to the cotton industry.

Mr. President, the same thing might be said with reference to each of the other industries involved in this program. However, I shall particularly mention corn.

Corn is the industry which has shown the queerest group of inconsistencies in the program of any large commodity which is covered by high price supports. It is the commodity which has not had to observe the requirement of allotments, but, instead, has been permitted to ignore allotments, bringing about such a queer state of affairs that the record is full of statements by corn producers such as, "Yes, we took our allotment when we could sell our crop and seal it with Uncle Sam, because we knew our neighbors were not accepting their allotments and had overplanted, and we could therefore buy corn from them and feed our stock at prices much below the price for which we sold our corn to Uncle Sam."

Mr. President, that is not honest. It is not decent.

I see no excuse in the world for anyone seriously to contend on the floor of the Senate that it would be thinkable to restore high 90 percent rigid price supports to corn, the largest single grain industry we have and the backbone of our livestock and meat industries.

Mr. President, I could continue making comments with reference to various industries, but I prefer not to do so tonight, because the hour is so late.

The entire bill as reported by a scant majority of the committee, 8 to 7, evidences a complete inconsistency in that it has two main programs pulling directly in opposition to each other.

The soil-bank program is very fine. I shall have more to say about it later on in the debate. It is designed to take out of production a large productive acreage, and, thereby, to cut down our surpluses.

And then there is the suggestion seriously made by some that we restore the 90 percent high rigid price supports which everyone knows have been a heavy contributing factor to the production of the surpluses we have and will have again, because it will force production on every acre that is planted when the farmer knows that by forcing production he can get a 90 percent price support, and that he can gain by tightening up the rows, pouring on more fertilizer, and doing everything he can to increase production to the highest possible level. We are going to see happen in every area where that can be done exactly what happened in the potato industry a few years ago.

How short is our memory, Mr. President? Can we forget quickly that with the potato industry cut to 60 percent and with acreage reduced, nevertheless, the farmers contracted their rows, planted more hills in a row, and fertilized to the point where they produced a great quantity of potatoes to be sold to Uncle Sam, many of which were later burned, costing the United States practically half a billion dollars in the 2 or 3 years of its operation?

To me, Mr. President, it is sort of a crazy-quilt bill which offers as its 2 main programs 2 things so inconsistent as the soil bank and the 90 percent rigid price supports. I said the other day that it was exactly like putting a cart on the top of a hill, hitching 1 strong horse to it so that he could go in 1 direction, and hitching another strong horse to pull it in the opposite direction, whipping both

horses into a frenzy and expecting to get somewhere in a hurry. It simply does not make sense.

The next inconsistency is the part of the bill which seriously pretends that the 90 percent rigid price support can with impunity be returned to that part of the industry which has had it heretofore, which happens to be the only part of agriculture which has suffered severely under present conditions.

Mr. President, there are a few other commodities which suffer to some extent, but most of the other agricultural industries are prosperous, as, for example, the tree-fruit industries, which are a very large group. By their own efforts, their own advertising, their own salesmanship, and their own expertness, they have brought themselves back since the Korean episode was over until almost everyone of them is prosperous. That is true of the production of small fruits, and of the production of watermelons, strawberries, nuts, and a great part of the dairy industry which is not in the few States, about seven of them, where more milk is produced than can be consumed in the local area. All the rest of the dairy industry is prosperous.

Mr. President, we cannot go into Virginia or Maryland, near Washington, without being acutely conscious of the fact that some of the most prosperous farm homes and farmsteads we have ever seen are those which are occupied—and I am happy that it is so—by people who produce such excellent milk for the million and a half persons who are served by them in the greater Washington area.

The same thing can be said of Richmond, Atlanta, Louisville, Miami, Jacksonville, New Orleans, San Francisco, Los Angeles, Houston, Dallas, Denver, and I do not know how many other places.

The record shows that dairy products sold to Uncle Sam came almost entirely from seven States, and that the dairy industry in the United States as a whole is prosperous. Why? Because it is attending to its business; because it recognizes the immutable law of supply and demand; because it advertises its products; because it sells a good product; because it has gained in its distribution machinery. It is a very competent, very fine, and very successful industry.

Mr. President, it does not make sense for this bill to provide that the part of the agricultural industry to which we are going to restore 90 percent high, rigid price supports is the only part which has had them heretofore and the only part which is badly sick in the Nation, when almost everyone who checks the facts knows that that very structure was one of the most compelling reasons why those industries are sick at this time.

So, there is another startling inconsistency in this proposed legislation.

I am sorry that my distinguished friend from Minnesota [Mr. HUMPHREY] is not present. Probably he has become exhausted by much speaking in the course of this debate. But I thought he would enjoy my observations with reference to his bringing into the RECORD

and relying very heavily in his long and exhaustive debate upon the survey made by the Grain Terminal Association covering a certain number of counties in 5 States—Minnesota, Wisconsin, the 2 Dakotas, and Montana.

I have read that survey very carefully. I have even read the debate of the Senator from Minnesota with reference to it. The outstanding facts about the survey itself, and about the Senator's comments concerning it, are that the survey itself presents the most compelling sort of a case against the arguments of the distinguished Senator from Minnesota, because the 4 years covered by that survey are the years 1951, 1952, 1953, and 1954. They show a progressive decline in the farming prosperity in the areas covered.

It is remarked at one place in the survey that the commodities raised during those 4 years were under 90 percent price supports, and the survey clearly shows that producers were getting sicker and sicker and less and less prosperous all the time; more and more of them were going out of business, and more and more farms were being concentrated into larger farms in the hands of others who were more efficient.

Mr. President, here is another one of the inconsistencies in this bill. The distinguished Senator seriously offers a survey made over a period of time during which in every year of the period the 90 percent rigid price supports prevailed, and with a long face he told us of the results of the bad conditions which prevailed, and that the industries in the area covered by the survey were drifting down to less and less prosperity and to bankruptcy, seriously contending that they do not have the 90-percent price supports any more and they must have them right back—presumably to continue the decline which they sustained during the years shown by the survey.

There are many other inconsistencies which I would be happy to point out, but time does not permit me to do so. The thing which has disturbed me most in the course of the debate, and I have been following it carefully, as the distinguished Senator who occupies the chair knows—and I have been following the hearings carefully for more than a year, although I was not able to attend some of the hearings last summer, but I did attend hearings in the great Northwest and in the great Northeast—and the thing which disturbed me most in the course of the hearings was the completely clear showing that the system under which agriculture has been living, the high, rigid price support system, has been doing terrible things to the people who have been relying upon that support structure rather than upon themselves and their own thinking, their own planning, their own curtailing of production, and their considering of the quality of their product so they could meet the demands of the market which they were serving.

Mr. President, what I am about to say will not be a reflection upon any area. Certainly, it will not be a reflection upon any of the individuals whom I shall mention, because certainly, if anyone

ever received kind and courteous treatment in the course of the hearings, I did; and I am certain that is true of every member of the committee.

I would be negligent and derelict in my duty if I did not show affirmatively in the RECORD that the very people who have had 90 percent price supports, and are now "hollering," many of them, for 100 percent price supports, have been sustained by their crutches so long that they do not know how to take an independent step. The distinguished chairman of the committee, who is now the Presiding Officer of the Senate, knows that to be true. We heard more pleas for 100 percent price supports in the areas where 90 percent has been the rule heretofore—and I make special mention of the States of Minnesota and the two Dakotas—than we did for 90 percent or for any other fixed kind of support in other areas.

There are so many instances of them in the RECORD that it would take the rest of the night for me to put them all into the debate. But I wish to put just a few instances in the RECORD to evidence what I am saying here with all seriousness, and that is that I think we are a party to taking away from agricultural people that fine independence, that splendid conservativeness, that fine willingness to stand up and fight for themselves, for which American agriculture has always been noted, if we continue to give them this crutch. I think that was so clearly demonstrated that it should be shown in the RECORD.

I first call attention to the testimony of Harold Golseth, vice president of the South Dakota Farmers Union, Irwin, S. Dak., which appears at pages 951 and following of the printed hearings. This is part of his statement:

We urge the enactment into law of House Resolution 12 at the earliest possible time in this next session of Congress, as a short-range policy. But as a long-range farm policy, we recommend a farm program based on 100 parity price supports for family farm or ranch production.

Mr. Golseth continues at great length to justify the case for 100 percent parity price supports. Dozens and dozens and dozens of witnesses throughout the whole area did the same thing. Their program was not confined to 100 percent price supports for the basics, but it included 100 percent price supports for all kinds of agricultural commodities, both perishable and otherwise. That fact was reiterated again and again, in spite of the fact that the members of the committee, of whom I was one, reminded the witnesses that there were many elements in our farm economy which did not want price supports, which were not asking for price supports, and which were more prosperous than those elements in agriculture which were leaning on price supports.

Nevertheless, the witnesses came back with the statement that they must have 100 percent price supports on everything the farmer produced, provided it was produced on a family-unit farm.

That is the next item on which I wish to comment, because to my mind the idea of picking out a family-unit farm—

and I think it was defined for us in about 20 different ways—and asking the Government to uphold a certain limited type of production, while not doing so for the more prosperous, more efficient farmers, who are larger operators because they have earned the right to a bigger place in the farm economy, and the idea of simply pleading as the witnesses did, over and over again, for a redistribution of the land and a better division of the profits of the land, is not, in my opinion, sound Americanism. I think it is socialism of the rankest kind. I do not find it existing anywhere in United States agriculture except in those places where the high, rigid price support system has sapped the morale and taken over the independence and fine qualities of our farm people to a degree which I certainly do not like to see exist.

The next comment I make is with reference to the testimony of a fine gentleman, Mr. R. A. Englehorn, of Menno, S. Dak., which appears on page 1074 of the printed hearings.

I shall not ask that all of his statement be placed in the RECORD, but I ask unanimous consent that the part which I have indicated be printed in the RECORD.

There being no objection, the portion of the statement was ordered to be printed in the RECORD, as follows:

We feel that American agriculture is an important and necessary segment of the total American society and is, therefore, entitled to its fair share of the national wealth, demanding that in such a society all farm operators are entitled to 100 percent of parity.

First and foremost is a Federal program operated and supervised at the grassroots level by the farmers which has for its goal 100-percent parity.

The first step in attaining that goal, we ask for 100 percent of parity support prices on nonperishable farm products and on perishable goods, where possible.

Mr. HOLLAND. Mr. President, I wish to read a few sentences from Mr. Englehorn's testimony:

We feel that American agriculture is an important and necessary segment of the total American society and is, therefore, entitled to its fair share of the national wealth, demanding that in such a society all farm operators are entitled to 100 percent of parity.

The first step in attaining that goal, we ask for 100 percent of parity support prices on nonperishable farm products and on perishable goods, where possible.

That was repeated over and over again.

I next come to the statement of Mr. Einar G. Grande, legislative director of the Townner Country Farmers Union, Bisbee, N. Dak., which begins on page 1147 of the printed hearings. I refer to a portion of Mr. Grande's statement on page 1152.

Mr. Grande said:

Get me straight, I want a guaranteed price, 100 percent parity—100 percent parity is the man I am. One hundred percent parity for those 2,000 bushels. And any time I go to work and market over those 2,000 bushels, I want to be penalized, and penalized so heavy it will discourage me to keep it on the farm.

Two thousand bushels was his figure of of a family-unit production. He actually wants discouragement of production over a meager measure of living. He continued:

There is no man that can make any program work unless you control every item we have on the farm. You might say it is regimentation. I just say that it all hooey, for this reason. If you are going to help us, you have got to help us all out or not.

There was more of the same thing.

Mr. President, I do not want the Senate to think of those witnesses as being irresponsible or weak persons. They were not. I talked to many of them. Many of them were of fine, sturdy Scandinavian stock. They had come into the areas of Minnesota and the Dakotas when the going was rough. They had carved out their farmsteads against all kinds of difficulties interposed by nature.

To me, it was a pitiful thing to see that they had lost that courage, that fine independence, that willingness to stand alone.

I want the Senate to know that the demands for higher price supports will not be ended if the Senate should vote for 90 percent price supports. To the contrary, because the demand for 100 percent price supports came from many persons whose independence has been sapped by too much reliance upon a benevolent Government.

I next quote briefly from the statement of Mr. Morris Nelson, president of the Bowman County Farmers Union, Bowman, N. Dak., appearing at page 1244 of the hearings. Mr. Bowman also was a very fine gentleman, but his testimony was of the same nature. He was reporting for the whole convention of the farmers of his county who belonged to the Farmers Union, which had been held, as he said, only on the Saturday previous to the date of his testimony. Mr. Nelson said:

The folks were very positive in their demand for 100 percent of real parity on the farm for all farm commodities, which is only establishing economic justice for farmers with other segments of our society.

There was more of the same.

The next statement on which I wish to comment is that of a very fine old fellow Rudolph A. Reinpold, legislative director of the Stutsman County Farmers Union. This would be almost humorous, if we wanted to regard it so; but to me it is quite the opposite. In his direct testimony Reinpold said something about wanting to be restored to the gravy train days of the 90 percent price supports. So I questioned him.

I said:

I must have misunderstood you.

This was later in the testimony.

I understood you to say, so long as the gravy train ran, you were in good shape. And you wanted the gravy train to start running again, is that it?

He did not understand the question, so I repeated it. This was his answer:

Positively. The gravy train—what I had in mind all of those years when we had billions of dollars, all of us in the Nation,

we all got our share out of those billions, it was out to win the Second World War, and also the Korean war, and now just to compare, within 3 years, then and now, a plow as \$5, now almost \$10. Everything else accordingly.

This gray train that we accumulated during the other years is depleted now. There is none left any more. Our surplus uses it up.

Mr. President, it is sort of pitiful to see reduced to a philosophy of that kind persons of the fine sturdiness of character and quality which was exemplified by that fine gentleman and by others.

Mr. President, I am sorry to say that there was a tremendous contrast between the testimony we heard in that part of the country where there had been these high rigid price supports, and that which we heard in New England, New York, Pennsylvania, and New Jersey. We had only two hearings in that area, 1 at Montpelier and 1 at Utica, but we had witnesses from nine States.

There was only one witness from the nine States who took a position of far-reaching import, a witness named Wright, and his testimony is to be found on page 3172 of the hearings.

Here is his thinking on the matter. Incidentally, he belonged to a different kind of farmers union. It had the same name, but he made it clear he was not identified with the Farmers Union.

Mr. President, I shall not read all his statement. I shall ask unanimous consent that it be included in the RECORD, but here are some of the things he said when we asked him about 100 percent. He said:

Probably, the original advocates of the Brannan plan had in mind 100 percent of parity. Personally, I think that eventually this country is going to have to go beyond 100 percent of parity to bring about anything like equitable individual farm income.

And so on. Much more of the same was said.

This same witness was one of those who said he was for redistribution of the land and redivision of the land income so as to better take care of the farming population.

I cannot read all of his statement, but I ask unanimous consent to have it printed in the RECORD at this point, so that it may appear in the RECORD tomorrow.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator HOLLAND. Well, now, the Brannan plan involved 100-percent price supports; did it not?

Mr. WRIGHT. No; not my understanding of it. The selling price of the product was in a free market, and the compensatory payments to the farmers would be at some level above that, presumably determined by the Congress. Probably, the original advocates of the Brannan plan had in mind 100 percent of parity. Personally, I think that eventually this country is going to have to go beyond 100 percent of parity to bring about anything like equitable individual farm income.

Senator HOLLAND. Then you think that this program should be aimed at more than 100 percent of parity?

Mr. WRIGHT. I can see no prosperity for the farmers in price returns to them around 100 percent of parity.

Senator HOLLAND. You remember that the Brannan plan also covered perishables; do you not?

Mr. WRIGHT. Yes, sir.

Senator HOLLAND. Fruits, vegetables, and the like?

Mr. WRIGHT. Yes.

Senator HOLLAND. Is that your recommendation also?

Mr. WRIGHT. Yes, sir; I think that it should be an across-the-board program.

Mr. HOLLAND. Mr. President, I notice there is not any question about this position's being taken seriously by the national officers of the National Farmers' Union. On pages 3422 and following of the record appears the testimony of Mr. James G. Patton, president of the National Farmers' Union. I shall not further weary the already weary Members of the Senate by quoting from much of his statement, but there is one thing which shows so well how impractical these people are, and how thoroughly they are agreeing to live off the public body and out of public taxation, that I want to quote a little colloquy I had with him on his suggestion that he thought 100-percent price supports should be made retroactive and effective for the 1955 crop. I was questioning the president of the National Farmers' Union and he was answering the questions:

Senator HOLLAND. Now, let us come to this question that you raise, that I have not heard raised before—maybe it has been raised by someone—that you propose to have the Treasury go out of balance by devoting several billion dollars for 100 percent price-support payments for 1955, which is already behind them.

Do you know how much that would cost?

Mr. PATTON. Yes, sir.

Senator HOLLAND. How much?

Mr. PATTON. We were talking before you came in. Somewhere between four and five billion dollars.

Senator HOLLAND. Then you propose by this one recommendation, if you found that you could have it passed through the Congress and approved by the President, to disturb the balanced budget to the tune of between four and five billion dollars; is that correct?

Mr. PATTON. It would not be disturbed by anywhere near that much because it would put a tremendous amount of purchasing power into circulation. It would enable farmers to pay taxes who were not going to be paying any income taxes this year.

So he claims the amount would be less than that total, and I think that is sound.

I asked him again:

Senator HOLLAND. And you are making that request for all producers, although you have conceded, as I understand, that a large number of the producers as shown by their commodity organizations are not only asking for this 1955 handout, but are not supporting your program for the future?

Mr. PATTON. I do not think it is a handout, in the first place. In the second place, I doubt that there would be as many as 1 percent who would refuse the check. I know they did not when the benefit payments were going. Some of those who talked loudest against it were always willing to cash the checks.

In other words, it is completely all right if the citizen is willing to take and cash the check which the Government offered him.

Senator HOLLAND. How would you propose to make up the deficit in the budget, which is a very large deficit in the budget, which you would inflict on the country if this particular provision were adopted?

Mr. PATTON. You asked me that question. I personally think that it would be good fiscal policy to unbalance the budget for this purpose. We have unbalanced it for a lot of other purposes that probably did not have as much validity as this.

Senator HOLLAND. You are one, then, who feels that an unbalanced budget is nothing to be concerned about?

Mr. PATTON. I do not think it is a major concern as long as you have full employment and as long as you have long range fiscal plans for balancing it. We should not have reduced taxes when we did.

In other words, because he thought a mistake was made some years ago in the reduction of taxes, he was perfectly willing to be a party to a handout now of between \$4 billion and \$5 billion and unbalancing the budget by a large part of that amount. More to the same effect follows.

Mr. President, there are various statements in the record with respect to the question of redistribution, which I shall not read in their entirety at this time.

I ask unanimous consent that quotations from the statement of Mr. Glenn J. Talbott, vice president of the National Farmers Union, appearing at page 245 of the 1949 hearings, which are marked in red, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. TALBOTT. Going back beyond the point that you mentioned, I should like to have our position completely clear, my own and that of the organization. We should like to see the kind of farm program legislation, call it what you will, sufficiently punitive on the industrialized type of agriculture to make it unprofitable for the 90,000-acre Tom Campbell farms in wheat, with hired men for 30 days in the spring and another 30 days in the fall. That land then would be available to hundreds of family-type farmers who might find a home and a way to make a living on that land.

We are seeking there to deal with the problem of population pressure on the land which is probably not going to get better, because geographically and physically we cannot make more land available. I want our position to be perfectly clear about that. That is what we seek.

We do not like that type of agriculture. We want those kinds of land resources available. We want the men and women and children who are willing to work on them to be able to make a home on them and to become a part of a good sound rural community in America.

Senator ANDERSON. Would you want it to be sufficiently punitive to clean out Mr. Kleberg's situation and Russell Gifford's as well?

Mr. TALBOTT. Yes; clear across the board, whether it is cotton, dairy products, chickens, or whatever it is.

Mr. HOLLAND. Mr. President, I also ask unanimous consent that an excerpt from the testimony of Mr. L. O. Grasdalen, which appears at page 450 of this year's record, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senator HOLLAND. I recall that the national officer of one of the large farm organizations, who advanced that same idea in one of our hearings sometime ago, coupled with that statement a statement that he favored redistribution of land as well as redistribution of profits of the land as made by the farmers. Is that your idea?

Mr. GRASDALEN. Right.

Senator HOLLAND. That is your idea?

Mr. GRASDALEN. It could be, yes.

Mr. HOLLAND. Mr. President, I also ask unanimous consent that the statement of Mr. Oswald K. Ophaug, of the Nelson County Farmers Union, of Petersburg, N. Dak., be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. OPHAUG. All right. You know, we had a Homestead Act here. The Homestead Act was to establish—by the Homestead Act we established the traditional family farm.

What I think we have to do in the United States is to get back to this traditional family farm. And by so doing, I think we will get back to the place where land is more equally distributed among the people.

The CHAIRMAN. That is the Farmers Union plan. We had it here this morning. Several of these witnesses testified to that.

Mr. OPHAUG. Why, certainly, the Farmers Union is for the family-sized farm.

The CHAIRMAN. That is their plan. So that is nothing new. We have had it, not only here, but in every State we have been.

Mr. OPHAUG. What I consider new, Mr. Chairman, is that we have in order that any farm program will be successful, we have to more equally distribute the land among the people. No matter how good the farm program is that we have, it will never be successful unless that happens.

Mr. HOLLAND. Mr. President, in each case the witness makes it very clear that he and his organization stand seriously for redistribution of the land and redistribution of the wealth of the land.

There is one statement made by Mr. Helge E. Nygren, president of the Morton County Farmers Union, of Flasher, N. Dak., from which it may be worth while to quote a word or two. It is to the same general effect, but he did testify under considerable questioning from me. He said it was, in his judgment, necessarily a part of any program to restore prosperity to farmers and farming that there be redivision of the land. The Senator from North Dakota [Mr. Young] who was present and wanted to be sure he was protecting a citizen of his State, since the witness was a citizen of North Dakota, asked this question:

Senator Young. I would like to ask you one question. I am wondering if you want to leave the record stand as you made it. Do you believe steps should be taken to prevent the concentration of land in the hands of a few or do you believe in the redistribution of the land?

He had said he did believe in the redistribution of the land. This was his answer:

Mr. NYGREN. I believe this: It is not necessary as yet to take any drastic measures, but I believe there should be a start made toward redistributing the land wherever it is necessary. And I think these people that have to work on these factories in the field should be consulted to that extent. If it is their wish to have a boss, to tell them

when they must come and go, if that is the kind of a life they want, let those have it, but those that object, and want a place of their own, they should have a right and a chance to buy one.

That is the kind of thinking which is taking place. It seems to me that socialism pure and simple, and of the rankest sort, is prevailing in that area where rigid high price supports have taken away the independence and the sturdiness of quality of men, many of whom were, as I have said, of Scandinavian ancestry.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ALLOTT. The Senator has very ably pointed out the course and its result, but does he not think in the long run the really bad effect to the farmer of rigid high supports will be to place the farmer further and further in a hole from which he will have a hard time getting out?

Mr. HOLLAND. I certainly do. I thank the distinguished Senator for his statement.

I am happy to report that in that area where they have had high price supports all of the people have not given evidence of the abjectly low morale which has been indicated in the quotations I have given.

For instance, here is the testimony of a full-blooded American Indian from Lake Park, Minn. He was of fine appearance, and has had a college education. He made a fine impression on all of us. I remember that the distinguished chairman of the committee had a colloquy with him; and here is what that witness had to say:

To me, we as farmers have been white-washed so many times and taught and encouraged to depend on our Government so far—

Mr. President, I glory in the words of this young Indian—

That it is only a matter of time that we will be in the position of the early American Indian. This only means one thing to me, which is slavery or bondage. There is no other end when you become a ward of a government.

Another misleading phrase is the family-sized farm. That statement is as camouflaged as a horned toad.

Mr. President, that witness was a young man who is a pure-blooded American Indian.

I read further from his statement to the committee:

I have seen families go broke on an 80-acre farm. I have seen a family move on the same farm and prosper through all economic conditions.

In other words, his point is that the difference is in the quality of the individual and the way he goes at it. He gave other testimony of the same sort.

I read further from his testimony:

I believe a good farm program would be one without manmade controls and Government prices. We can make it; my father did, and he raised 12 children. We had no Government relief; we did not need it.

It is a good American program; let's get back to it, Mr. Senator and farm leader. Let's get back to believing in doing what you want and how you want to do and can

best do freely. Above all, let's trust in God for guidance and security. We will win.

Mr. President, I thought it was a valuable commentary on what America has been drifting into to have that young, pure-blooded American Indian, who has had the benefit of a college training, however, and of the prosperity which he has attained on his farm, come before the committee and tell that group of Senators, representing a very, very distinguished committee—and I am always very happy to claim membership on the committee, where all my colleagues are so distinguished—what is the real essence of Americanism, whether on the farm or anywhere else. I am proud of that witness, and I wanted to make that portion of his testimony a part of the RECORD here.

Mr. President, I was never more proud than I was when the committee was taking testimony in New England, of the steadfastness and sturdy character of those who have difficulty making a living from land which does not have the fertility or the wide-open spaces or the great acreage available to those of us who live in other parts of the country. From the mouths of the witnesses who came from six New England States, we did not hear any testimony which indicated that they want to be dependent on the Government, that they want 100 percent price supports or any other kind of hand-out from the Government. On the contrary, those people of New England—and I gloried in the testimony we heard from them all day long, while the committee was at Montpelier, Vt.—were simply asking that we give them the tools with which to work, such as marketing agreements, cooperative plans, and information from research departments, such as market reports and similar things, so as to let them handle their own plants and breeding operations—most of them are dairy farmers—and let them handle their markets and their increased distribution. They brag as much as a New Englander can brag—of course New Englanders cannot brag as much as some of us from other parts of the country can; but very quietly and very modestly they spoke of how they have greatly improved their position during the past few years by advertising heavily in the two areas or milksheds where they supply a large part of their milk, and in that way have increased the area of their operations.

For instance, Mr. President, let me read only a small part of the statement the committee received from Donald L. Smith, executive secretary of the Vermont Cooperative Council, of Barre, Vt. I read now from page 3030 of the hearings. I shall read only a small part of the statement he made. At the point from which I shall read, he was answering a question which I asked him. He said, in part:

We would like to have the cooperatives, the farmers, solve their problems through cooperatives wherever possible, instead of turning to the Government.

That indicates the thinking and the character and the position taken by

those who testified before the committee, coming from the Granite State and from the other New England States.

Next, Mr. President, let me read from a statement by Mr. Stacey W. Cole, of West Swanzey, N. H. I read now from page 3106 of the hearings:

Flexible price supports will work if given a chance. They are already beginning to prove their worth. High, rigid price supports are a menace to agriculture under usual conditions. To me as a poultryman they often force me to pay higher prices than necessary for grain—

And so forth. A little later he said:

Personally, I feel that such procedures as I have outlined—

He talked about cooperatives and all the other tools producers can use—

are as far as Government should go in helping stabilize prices. To go further is to take from the hands of the farmer his right to make major decisions as to how he shall operate. Personally, if Congress is going to make laws to take away my right to decide how I operate my farm, I'd definitely rather not farm.

We received similar testimony from Mr. Evans H. Barrett, of Keene, N. H.; and I ask unanimous consent that excerpts from his statement, as marked by me in a copy of the hearings, be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF EVANS H. BARRETT, KEENE, N. H.

Mr. BARRETT. My name is Evans H. Barrett of Keene, N. H., dairy farmer.

The CHAIRMAN. Have you anything new to add to what has already been said?

Mr. BARRETT. I do not know as I have anything new. I just feel that the quicker Government gets out of business, and gets out of farming, the better off the farming industry is going to be.

The CHAIRMAN. Would you want us to go to Washington next year and cancel out the law that now gives you the right to get into these marketing agreements and get a pretty good price?

Mr. BARRETT. So far as I am concerned, I wish they would cancel everything they have given to the farmers. I can pay my own bills. And when I cannot pay them, I can drive nails or I can nail on shingles. I have not got to farm.

Every farmer in the United States has the opportunity to farm or not farm as he sees fit.

The CHAIRMAN. They are not all carpenters, you are.

Mr. BARRETT. I am not a carpenter, but you do not have to be a carpenter to get \$2 an hour. And all of these farmers are working for 50 cents.

The CHAIRMAN. So you would be satisfied if we could arrange for everybody to start from scratch?

Mr. BARRETT. They do not have to start from scratch. This forever ladeling out from Washington, I believe that the administration of the benefits we get on the farms cost three times the benefits we finally derive from the tax money that is taken from the people and ultimately gets back to the farmer.

The CHAIRMAN. Is there anything else?

Mr. BARRETT. I just want to go on record as saying that these people that are looking for payments and subsidies want to run and look at Russia. If they want socialized farming, let them go to Russia. We have got a free country, and we have got free enterprise. And everybody is his own master

here in these United States. It just seems too bad to me that these people get right up and look at Russia and sit right here and tell you they want to be paid to farm. [Applause.]

Senator HOLLAND. I wish the gentleman would stop long enough to say one thing more for the record. Just what do you produce? You say that you are a dairy farmer?

Mr. BARRETT. I milk 100 cows. I set 5,000 sap buckets, cut a little cord wood, and in spare time I am a city counselor.

Mr. HOLLAND. The committee received similar testimony from Dean K. Webster, Jr., president of H. K. Webster Co., of Lawrence, Mass.; and I ask unanimous consent that certain excerpts from his statement to the committee be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The year 1954 for the poultry industry was one of overproduction, low prices, and general losses to most producers, disaster to many. Without price supports, and with the free play of supply and demand, the pressure of low prices has caused the adjustment of production which was necessary, and 1955 finds the poultrymen again in a healthy condition—production more in line with demand and satisfactory prices prevailing. Efficient producers have weathered the storm and marginal producers have had to drop out. Picture if we may what might have taken place had a price-support program been undertaken for eggs and poultry meat in 1954 (if such indeed were actually responsible to carry out). Temporary price benefits would have kept marginal producers in business and encourage efficient producers to expand. The adjustment of production to fit demand would have been postponed, a period of unregulated excess production would very soon compel Government controls, and the poultry industry would be sick for a long time to come.

The CHAIRMAN. Thank you, sir.

Senator HOLLAND. You mean that the poultry people by their own initiative have put their house in order?

Mr. WEBSTER. Yes, sir, by staying out of price supports the natural sources of supply and demand have brought them back into shape.

Senator HOLLAND. The poultry industry can bring its house into order in a relatively quicker time than almost any other agricultural industry, can it not?

Mr. WEBSTER. That is probably true, but that is a matter of degree. When you make it profitable enough by price supports to keep all of these marginal producers in business they will stay in business, and they will not be eliminated until there is an economic pressure. I do not advocate throwing the whole thing over by any means. I advocate a flexible program of reducing the thing gradually until finally you have enough free markets again.

The New England poultrymen and dairymen have looked upon the Federal Government's price support programs for basic commodities with much skepticism and have generally adhered to the basic economic philosophy of free markets. We believe that in the long run any attempt to hold prices at a level above cost of production on efficient farms tends to continue and extend production of marginal inefficient producers and postpone, not prevent, adjustment which eventually must take place; and it is highly probable that the immediate benefits under artificial price support are illusory in that the overall long-range economic effects are distinctly harmful. In support of this reasoning we quote a few case histories.

Mr. HOLLAND. Mr. President, I wish to call attention to the fact that even

some of the old and conservative agencies in the Dakotas were shocked by the disclosures made by the testimony taken by the committee there. In one case a newspaper which editorially was supporting, in large part, the farmers' request, had not realized what was going to take place that day at the hearings. So when the hearing was held, the Bismarck Tribune, in its issue of Saturday, October 29, came out with streaming headlines, across the top of the page, "Land Redistribution Asked"; and that newspaper proceeded to quote some of the witnesses who stated some of the difficulties I have mentioned here today; and that was the feeling everywhere.

I have confidence that if we stand our ground and give agriculture a chance to regain the essential character of independence it has had, by tapering off some of these programs, and by giving the farmers a chance to determine what the market will take, as we do under the flexible program, we shall see speedy results and speedy resumption of sanity in agricultural thinking throughout the Nation.

Mr. President, there is one other thing I shall say. It is quite unpleasant for me to say it, but I think it should be said here. Before I say it, I wish to state that I do not have the faintest idea that either the officers or the members of the National Farmers Union are Communists or communistic, or that they have the slightest idea that their program is as close to the program announced by the American Communist Party as it is. But, Mr. President, the announced program of the American Communist Party happens to be pegged on exactly the same provision as that stated in the National Farmers Union program, and as testified to us at numerous times in our hearings, and as filed with us in resolutions, time after time, making as their first request 100 percent of parity on all agricultural commodities, whether perishable or storable.

Now I shall quote from the pamphlet issued by the national farm commission of the Communist Party of the United States of America, 832 Broadway, New York 3, published last year. It gives the Communist program for agriculture. It begins on page 9. I shall not quote all of it; but in justice to the Senators who now are on the floor, I think I should read the first plank in that platform or program, which is identical with that of the National Farmers Union. I doubt if more than 1 percent of the membership and officers of the National Farmers Union know that that is the case.

1. Halt the drop in farm prices. Guarantee full 100 percent parity for all farm products.

I continue:

Production payments should be made directly to the farmers, sharecroppers, and tenants to guarantee at least 100-percent parity on all farm commodities. Such payments would make up the difference between what the farmers get in the market and the full parity level, thereby benefiting both consumers and growers. Support levels to be announced well in advance of planting.

To encourage small and family-type farming, payments under this program should

be limited to \$15,000 worth of production per year (equivalent to 1,000 units under the Brannan program of price supports).

That is the second plank in the Farmers' Union program.

Every farm would be eligible for this coverage, but large-scale farms would not take the lion's share of payments, as at present.

Under no circumstances should small and family-sized farms be required to reduce their production.

Not only is the idea similar, but that program is completely identical with the key program of the National Farmers' Union. The RECORD should very clearly show that such is the case, because I think there are tens of thousands of good farmers throughout the country who are supporting the leadership of the National Farmers' Union and the program announced by that organization, who have not the faintest idea that they are treading as closely as they are to the Communist line.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MONRONEY. I am a little surprised to hear, although the Senator absolved the leadership of the Farmers' Union, of the alleged strange similarity between the Farmers' Union program for the family-sized farm, calling for 100-percent support prices, and that of the Communist Party.

Mr. HOLLAND. One hundred percent for both storables and perishables—for everything produced.

Mr. MONRONEY. The distinguished Senator has been in this body long enough to know that about 80 percent of the progressive legislation advocated by the Democratic Party has been copied and aped by the Communist Party. About 75 or 80 percent of the progressive programs of the CIO and the AFL have been aped and copied by the Communist Party. There is a continual process of aping and copying such programs in an effort to obtain an opportunity to claim that the Communists are liberal and progressive because they select certain specific social programs which are advocated by the political parties, by farm organizations, by labor organizations, and other organizations. I suppose there may be imitation or aping even of the National Association of Manufacturers on some points. The Communists ape or imitate anything that looks good, in an effort to deceive the people of America into thinking that communism is not a despicable totalitarianism. They are glad to put on false faces.

I am a little surprised to hear the distinguished Senator from Florida, who is so able and capable in his discussion of issues, use the fact that the Communists happen to ape a part of the Farmers Union program in assembling their own program as a basis for saying that we who support this program may inadvertently be supporting the Communist-endorsed program.

The same situation obtains with respect to every piece of progressive legislation we have enacted during the past 20 years, including social security, unemployment insurance, wage and hour legislation, old-age assistance, and many fine programs which the Senator has

vigorously supported. Most of those programs have been aped by the Communist Party.

Mr. HOLLAND. I thank the distinguished Senator for his comments, many of which are entirely correct. However, I do not think he was present in the Chamber earlier when I remarked that in my judgment this program is the essence of socialism. I repeat that statement. I do not think it is any diminution of the proof of that statement when we find the Communist Party announcing it as the first plank in its farm program. To me it is the essence of socialism, and the exact contradiction of sound Americanism, to talk about a program under which the Government is held to owe its people who happen to be farmers 100 percent price support for everything they raise, whether storable or perishable. Also, there is the proviso that the farm must not exceed the value of a 1-family farm.

The announcement of the program makes it very clear that the objective which the organization has in mind is the redistribution of the land and a more equitable division of the products of the soil.

If the Senator wishes to say that this program, whether it be the same as that of the Communists or not, is not socialism, if he wishes to say that it is good sound Americanism, all I can say, with much respect, is that I differ completely with him. My feeling is that this is a program which has demonstrated, above everything else, the loss of sturdiness, the loss of independence, and the loss of ability to stand up and take it and plan for themselves, which has been the glory of American farming people through all the years. That is where we looked for our conservative, best quality, finest thinking people. I am depressed and distressed to find such thinking prevailing in areas of the United States where high price supports have apparently undermined the character of our people.

I think I am justified in making that statement, because we have not found such a situation to exist in other areas. One cannot find a citrus grower in Florida or California who will take that position, or an apple grower anywhere in the United States who will take that position. One cannot find a dairyman in any State, except possibly in the seven States where they have allowed a critical problem to react upon them, who will take such a position. One cannot find a vegetable farmer in the Nation who will take such a position. The poultrymen, who went through terrible times a few years ago, tightened their belts and brought themselves back into better condition.

I am simply saying to the Senator that to my mind this is a red flag. The Senator may not so regard it. To my mind it shows that we have done something weakening and debilitating to the character of some of the finest people we have. That is what depresses and distresses me; and I would be less than true to my trust if I did not say to the Senate what I thought so profoundly as I listened to those good people—and they are good people—give their testimony on these questions, testimony which seemed to me to be so alien to sound thinking.

Mr. MONRONEY. Mr. President, will the Senator yield for a clarification?

Mr. HOLLAND. I yield.

Mr. MONRONEY. Did I correctly understand the Senator to say that if this be not a part of the Communist program, it certainly is socialism? By that does he mean that the program in which we have engaged for the past 22 years, in connection with rigid price supports, is socialism? Does he mean that the demand for redistribution of land, and other things which were testified to by a few farmers who appeared before the committee, are socialism? I should like to define what we are talking about.

Mr. HOLLAND. It was testified to by the vice president of the National Farmers Union.

Mr. MONRONEY. The vice president of the National Farmers Union is entitled to testify to anything he wishes, but certainly those of us who have consistently, through the years, supported rigid price supports—and I happen to be one who has supported rigid price supports for 18 years—consider that such a program is no more socialistic than minimum-wage legislation or any similar program.

Mr. HOLLAND. Does the Senator think it is not socialistic to advocate a program of 100 percent price supports for everything produced, both storables and perishables?

Mr. MONRONEY. That is not in the bill. The Senator is arguing about something testified to by some witness during the course of the hearings. I happen to represent in part, the State of Oklahoma, which is dedicated to supporting the 90 percent of parity program for basic storable, usable commodities. That is a program which even the American Farm Bureau Federation, the ultimate in conservative, rugged individualism, of which the Senator speaks so feelingly, voted by more than 2 to 1 to support. It voted to support the rigid 90 percent of parity supports, despite its national leadership. I hardly think those 40,000 members of the American Farm Bureau Federation would like to be called advocates of socialism.

Mr. HOLLAND. Mr. President, the Senator, of course, is putting words in my mouth which I have not uttered. What I said was that the 100 percent parity program, sponsored alike by the National Farmers Union and by the Communist Party, which program is applicable not only to storage products but also to perishable products, is in my judgment the essence of socialism. In my judgment the demand is proceeding only from those areas which have been benefited from the 90 percent high price support program. That, of course, is borne out clearly by the record.

I am merely pointing out to the Senator—and he does not have to regard it as a red flag, if he does not wish to so regard it, although I do—that it is a sad commentary that that has apparently been the result of furnishing a crutch to people who have become so debilitated by the use of the crutch that they either cannot walk alone or are unwilling to walk alone and are unwilling to solve their own problems.

It is disheartening; it is almost frightening, Mr. President. It is disheartening and frightening to see good people, who are so deeply rooted in the American soil, come to that kind of thinking. I regard that type of thinking socialism of the rankest kind.

I have deemed it to be my duty to call the Senator's attention and the attention of other Senators to my belief that 90 percent is not all that we are confronted with here. It is merely a stepping stone, and that fact is equally clearly stated time after time in the record.

Although the Senator and I may be in disagreement on some details, I do not believe the Senator from Oklahoma will be heard to deny that such thinking as that, which demands 100 percent price supports for storable and perishable commodities is socialism, and socialism of the rankest kind.

Mr. MONRONEY. Mr. President, will the Senator yield further?

Mr. HOLLAND. I am glad to yield.

Mr. MONRONEY. Will the Senator from Florida tell me whether there is a 100 percent parity provision with reference to perishables and storables in the bill before us?

Mr. HOLLAND. I have made no such statement at all.

Mr. MONRONEY. But we are hearing a great deal of debate about the evils of 100 percent of parity on storables and perishables. We are hearing about the redistribution of land as being a great evil. I cannot find any such provision in the pending bill. Such provisions, of course, could not be passed by the vice president of the National Farmers Union. They would have to be passed by Congress, and would first have to go through the Committee on Agriculture and Forestry, of which the distinguished senior Senator from Florida is a member. Such provisions would have to become law by act of Congress.

Therefore, I believe it to be rather futile, on the last day of general debate on the pending bill, to discuss the socialistic evil, real or presumed, of 100 percent price supports on perishables and storables, or the redistribution of land, because I do not find any sentiment in the Senate or in the Committee on Agriculture and Forestry or in the distinguished chairman to do anything other than what we have been trying to do, by trial and error, over a period of approximately 22 years, which endeavors have brought the farmer from the depths of the worst agricultural depression he has ever known into the longest sustained period of profitable farm operation he has ever known in the history of the United States. If that be socialism, then the American Congress stands convicted. I am sure the distinguished Senator from Florida does not feel that that the program is socialism.

Mr. HOLLAND. I have not said that. I have simply held out a red flag of warning. If the distinguished Senator from Oklahoma does not wish to regard it as such, and does not want to realize that what we are dealing with is a general demand for 100 percent price supports, and that the demand for 90 per-

cent is merely the first step, or if he does not wish to recognize the fact that that kind of thinking has developed only in those areas where high price supports have been in force, and has not been found anywhere in the areas of the country where the people have not had a crutch furnished to them by the Government, that is the Senator's privilege. If he believes those are matters which should not be called to the attention of the United States Senate, he need not so regard them.

The Senator from Florida has not made any misstatement with reference to what is contained in the bill. He has been very careful to state what he has been worried about, and that is the destroyed independence of some of the finest farming people in our Nation. I am equally disturbed to find my good friend, the distinguished Senator from Oklahoma, insisting that the restoration of 90 percent of parity is going to be the answer, when the very survey put into the RECORD by the distinguished Senator from Minnesota [Mr. HUMPHREY], to sustain his position, in large part shows that during the 4 years covered by that survey, 1951 to 1954, all years of 90 percent rigid price supports, the farmers, for whom he now pleads were going downhill toward bankruptcy and many of them did go through bankruptcy. Nevertheless the Senator from Minnesota feels that it is a good remedy to offer to the people who are in that deplorable position the same cup they tasted to their great hurt in the years that have passed.

Mr. MONRONEY. There is one point to which I should like to invite the distinguished Senator's attention. I was a Member of the Congress which passed the rigid price supports, and a member of the Committee on Banking and Currency which authorized the Commodity Credit Corporation to advance loans to 90 percent of parity. The demand then was for 100 percent or for 110 percent. The demand came often and loud and strong from distinguished United States Senators, like the late Senator Bankhead and the late Senator "Cotton Ed" Smith, against whom no thought of socialism could be raised, although they cried loudly for 100 percent of parity. I am sure if those distinguished men were Members of the Senate today, and if they knew the situation of the cotton farmers of America today, they would still be crying out for 100 percent of parity. The demand for 100 percent of parity is not generated after 90 percent of parity is obtained. The demand was there before the 90 percent of parity provision was enacted. It will be there long after the 90-percent provision becomes the law again.

Certainly there is no difference in the trend toward 100 percent of parity whether the supports are 75 percent or 90 percent. The demand will always be for the farmer to be paid in 100-cent dollars. He is now being paid in 75-cent dollars, at the same time we are cutting acres from his allotted production. I do not believe that a 75-cent dollar is satisfactory to a segment of America

which has to work so hard for its income. Seventy-five percent of parity means a 75-cent commodity dollar to the farmer. That is what we are giving him.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator from Oklahoma. I repeat, if the Senator finds no reason for alarm and no reason for reconsideration of his own conclusions in this matter as a result of the points I have raised, that is his privilege.

So far as I am concerned, it is cause for alarm. It is cause for alarm to the American people. I am immensely impressed when I find those segments of agriculture which have not been visited with the high price support program, and at the same time have not suffered because of a lack of prosperity, a condition which is found in areas where high price supports have prevailed, are free from the socialistic thinking which we find elsewhere.

Mr. President, I close by quoting one more Communist pamphlet, although I am not much given to quoting from Communist pamphlets. I quote from the program of the Communist Party, printed in November 1954. This is the suggestion by the Communist Party to their faithful members relative to the farm program. I quote only the portion of the recommendation that relates to the farm program:

We urge support for the progressive farm demands of the National Farmers Union.

Mr. President, some of what I have had to say has not been pleasant to say. However, it has been necessary for me to say it, or else I would feel that I had looked into a window in parts of our Nation and had seen things which I felt I should report to the American people and to my brethren in the Senate, and then had been silent when I was under a duty to tell them what I had seen there.

I believe it is cause for alarm for every one of us, and for the American people to find prevalent thinking so wild and thinking so highly socialistic as I have indicated in the places where high, rigid farm price supports have apparently destroyed much of the backbone of some of our finest agricultural people.

Mr. President, I yield the floor.

Mr. MONRONEY. Mr. President, I gratefully appreciate the courtesy which the Senator from Florida has extended to me in permitting me to interrupt his address. I would not have interrupted him had it not been for the confidence I have in the Farmers Union as well as the National Grange and in the other great farm organizations. They cannot help it if the Communist Party apes or imitates their programs. Certainly, the fact that the Communist Party seizes on one of the planks of their program cannot in any way lead me to believe that in their loyalty and their sincerity anything but a true and beneficial program for America is the desire of the respective farm organizations.

I doubt that we have ever been so far away from communism on the American farm as we are today as a result of the continued high-level support prices for

agriculture at 90 percent. I rather feel that communism made its greatest gains in the era of 30-cent wheat, 5-cent cotton, and nickel hogs, in the days when tragedy stalked American farmers and when even they were putting out picket lines to prevent fellow farmers from marketing their products at giveaway prices, and were taking the law into their own hands to prevent the sheriff from foreclosing and moving their fellow farmers off their farms. That was when the great constitutional system was in jeopardy, and not during the period when we have supported farm prices at 90 percent of parity.

Mr. President, I wish to refer for a moment to Mr. "Wrong Way" Corrigan, who stated that he was going to fly to the Pacific coast and the next we heard of him he was in England. He had gone in the wrong direction. We are now witnessing the antics of "Wrong Way" Benson, who has announced that he is for flexible support prices, for three reasons: First, that they will reduce production and oversupply. He is for flexible supports, which mean lower supports, because they will reduce the cost of the farm program. He is for lower supports because they will reduce the cost to the consumer.

Let us look at that a little bit and see whether he has not lost his bearings completely and has wound up at exactly the opposite pole from that for which he started.

It might be interesting to note, Mr. President, that, taking his own Bureau of Agricultural Economics report on crop reduction for 1955, while the support levels on wheat were reduced by 6 percent, production declined 28 percent, but acreage was down 29½ percent. It was not the reduction of 6 percent in the support levels that reduced the production of wheat, but the reduction of 29½ percent in the acreage.

The support levels on rice were reduced by 8 percent. The production was increased by 10 percent, although the acreage was down 4 percent.

So the flexible supports did not reduce the supply of wheat, although they were cut by 8 percent.

The support level on cotton remained unchanged at 90 percent, and the production declined by 3 percent on acreage that was down 33 percent.

The support level on corn was reduced by 1 percent, and the production increased 7 percent on acreage that was down 1 percent.

But to get a clear idea of whether the lowering of supports reduces production, as Mr. Wrong-Way Benson intended, we must consider how flexible supports have been operating under the program of the Secretary of Agriculture.

Whereas the support levels under Mr. Benson were reduced anywhere from 17 to 25 percent, as in the case of oats, grain sorghums, barley, flaxseed, and rye, and production was greatly increased, regardless of the support prices.

On oats production was raised by 25 percent at a lower support.

As to grain sorghums which enjoyed, perhaps, the lowest supports of all under

the optional provision of the act, the increase in production was 180 percent.

On soybeans, although the support was greatly lowered, the production increased by 30 percent.

On barley the support was greatly lowered and the production was increased by 73 percent.

On flaxseed, when the supports were cut materially, the production increased by 37 percent.

On rye, which had almost a vanishing or no support, the production increased by 81 percent.

Does it make sense, Mr. President, to argue in this great Chamber, that a reduction in support prices will mean a reduction of surpluses? Anyone who witnessed the overproduction in the 1930's, when 30-cent wheat was the rule, must know that the farmer grew a greater supply of wheat at those low prices in an effort to get enough cash income to sustain his family until he could plant at higher prices.

So Mr. President, the argument so often advanced and foisted on the American people that the only way to control overproduction is by flexible or collapsible support prices which Mr. Benson has advocated makes no sense; it makes no logic.

Let us look at point No. 2. Mr. Benson said, "If you lower the support prices you will reduce the cost of the program."

That does not make sense, because the program under Mr. Benson is costing far more than it cost when we had a 90-percent program.

It will be found in the whole history of the price-support program from October 17, 1933, through December 31, 1955, that the cost of supporting basic commodities amounted to only 18 percent of the total cost of the program. In fact, until the end of 1952, when Mr. Benson became Secretary of Agriculture, the average cost per person of supporting basic commodities was less than 1 cent. And, actually, Mr. President, there was a realized gain of \$25 million.

It is true that the administration's handling of the program since 1952 has resulted in some expense to the taxpayer for supporting basics, but even this runs only about 87 cents per person a year.

On the other hand, the cost per person a year for supporting the nonbasics has risen from an average 33 cents for the years 1933 to 1952 to \$1.80 for the years 1953 through 1955.

As supports were lowered the cost went up.

On the basis of these figures, it would seem to me to be a little ridiculous to blame high price supports for the cost of the program.

The distinguished chairman of the Committee on Agriculture and Forestry, who is now presiding over the Senate, pointed out that on the basis of the Stabilization Service Report the amount of Commodity Credit Corporation losses from October 17, 1933, to April 30, 1955, a period of nearly 22 years, on basic commodities, was \$353,675,738, or an average of \$16,450,034 a year.

It would seem to me that the present investment in farm commodities is being raised rather than lowered by Mr.

Wrong-Way Benson's flexible supports. I feel sure that when the figures are all in for the amount of grain, cotton, and fiber now in storage, under the change wrought by Mr. Benson's flexible price-support program, it will be found that the farmer has put far more of his production into loans and into Government storage than he did when he had 90-percent supports.

The reason is obvious. Mr. Benson has advertised to all the processors of cotton and of wheat, and said, "Wait a while; stick around; and farm prices will be lowered."

They are being lowered about 7½ percent each year. Mr. Benson says, in effect, and has published it in neon lights, that it would be foolish for the processors to invest in their own inventories, but to wait a year and buy at the new low prices Mr. Benson has brought about.

Consequently, instead of private industry carrying the stocks in their inventory, the burden has been placed upon the Government to carry surpluses. The cotton and wheat move into loan and do not go into commercial channels, because they are unnoticed by Mr. Benson, and the farmer's profits will be lower if we wait until Mr. Benson has had another year to lower further the income of farmers.

It would seem to me, on the third point, namely, that by paying lower price supports we can reduce the cost of food and fiber to the consumer, nothing has proved to be so erroneous. While the farm income has gone down, down, and down, the cost of food to the consumer has remained near an alltime high. The average loss of farm income per farm since 1952 has been \$529. The percentage in change has been a decline of 21 percent. There are 3 percent fewer farmers on farms.

At the same time, the cost of food to the consumer has remained high. The farmer's share of the consumer's food dollar has gone down. When the Democrats turned over the administration of the Department of Agriculture to Mr. Benson, the farmer was getting an average of about 47 cents from the consumer's food dollar. Now the farmer is receiving about 37 cents of the consumer's food dollar. Yet the same amount of food costs the consumer a dollar.

But Mr. Benson has managed to take the profit out of farming. He has managed to increase to almost record levels the profits of the middleman and the processor. But the consumer catches it on the high end, and the farmer catches it on the low end of his production. That is prosperity, Benson style—higher prices to the consumer, lower prices to the farmer, and fatter and wider margins to the middleman.

It seems to me it is only fair that the Government which is concerned with all segments of our economic activity, should make certain that the farmer receives a 90-cent dollar, which certainly is not too much to ask. Ninety percent of parity represents what would be the equivalent of 90 percent of a minimum wage, or 90 cents out of a commodity dollar, because that is the amount on which parity is figured.

But by lowering the parity to 75 percent, and at the same time exacting the maximum reduction and take-out in planted acres, the Government is legislatively decreasing the farmer's income.

I wonder why Mr. Benson ignores the value of the stockpile of food and fiber in our overall strategic stockpile, which amounts to \$4,893,000,000. These are usable, edible farm commodities. They will be available in case of disaster, drought, or atomic attack. I think food is just as valuable as lead, zinc, copper, magnesium, and all the other things we have in our stockpile, costing some \$5 billion. But it seems to Mr. Benson to be a great sin that we have some groceries in the pantry against the day of disaster. He has told the people of the country that the farm program has cost some seven or eight billion dollars, but he has ignored the value of usable inventories in the stockpile, which represent the major part of that cost.

A large part of the rest of the cost has been a decline in the inventory values which Mr. Benson himself has legislated, so to speak. It is a loss on the book value of those inventories, as we have had to write down stocks to follow Mr. Benson's flexible support prices downward, because the market follows Mr. Benson's flexible formula. When his formula is 82½ percent of parity, the market is at 82½ percent. When it reaches 75 percent, unless the committee bill shall be passed, the market will follow it to 75 percent of parity supports. We shall again write down our inventory to the tune of a half billion dollars. But to hear the representatives of many States decry support prices at 90 percent of parity to the farmer, while they ignore the vast subsidies which have been poured into big business by this administration, is more than I can understand.

On direct action by Secretary of the Treasury Humphrey the cost of carrying the public debt has increased \$1,100,000,000 during the 3½ years of the present administration. That is \$1,100,000,000 more on which to pay the interest on practically the same amount of debt on which the Government was paying interest under a Democratic administration.

Who increased the parity value of investment cash? It was done by the Secretary of the Treasury by a direct policy instituted by the Government in advancing rate on the "Humphrey-Dumphrey" bonds. He took it out of the Federal Reserve open-market operations, which brought about a high interest rate for Government bonds.

The Government says it is bad business to help the farmers get 90 percent price supports for two bales of cotton or a thousand bushels of wheat, but that it is all right to help the National City Bank of New York or the Bank of America or any of the other great financial institutions to get \$1,100,000,000 more as interest for the handling of the public debt, and that is done by direct Government mandate.

I think we might well support the farmers in their efforts to get fair prices, just as we try to help the barefoot boys of Wall Street get a little bit better in-

terest rate on the money they have in the bank and invested in the safest securities in the world—United States Government bonds.

Everyone in the big cities looks askance because the farmer has got, over the years, about \$6,500,000,000 in what is called a subsidy, if we wish to call it that. That has been the cost of the farm price support program during the 22 years from 1933 to 1955, according to the distinguished chairman of the Committee on Agriculture and Forestry.

But it is all right to have a Federal Housing Administration program, which has underwritten more than \$35 billion in mortgages for housing; \$35 billion underwritten to guarantee to the homebuilders of America their most prosperous years of profit in the building of houses, with 90 percent or 85 percent Government insurance, and a 30-year pay-out.

That is all right, because all those houses are built on nice paved streets in the cities. None of them have been built in the country, where the houses are so urgently needed by the farmers.

Thirty-five billion dollars is not the cost of the program, but it is the Government's liability for underwriting the mortgages to help make prosperous the homebuilding economy and to make it possible for the city people to have the housing they need. I am for that program. But I do not know why we should talk in such big terms for the city and in such small terms for the country.

We provide \$250 million a year to subsidize the giant, fine, slick-paper magazines with cheap mailing costs, so that they can distribute millions of copies of heavily advertising-laden magazines to millions of people throughout the country. That is a heavy subsidy. Two hundred and fifty million dollars would practically pay the cost of the farm program for about 17 years. That is the amount we are paying out every year as a subsidy to the magazine publishers.

We pay a subsidy of about \$80 million to the airlines, for the benefit of those who like to fly and reach their destinations in a hurry or to travel abroad or to enjoy the comfort above the clouds, so that we may have a great aviation system. I favor the aviation system. But I do not believe the very people who enjoy such a system should look down upon us because we provide the farm economy with some degree of protection against bankruptcy, just as we subsidize a program for the airlines.

We have a multi-million-dollar program of subsidies for the merchant marine. We provide an accelerated depreciation program for thousands and thousands of manufacturing concerns, which saves them hundreds of millions of dollars a year in taxes, which otherwise would be exacted. That, in fact, is a subsidy for industry.

Then there is the greatest subsidy of all, the subsidy afforded by the high protective tariff to the industries of America. It is strange that most of the industrialists who have enjoyed the protection blanket of the high protective tariff

throughout the years should shudder because the farmer is being given some protection against world competition when he raises farm products; because the Government is giving the farmer a chance to come somewhere near reaching a minimum wage in the production of his goods.

It seems to me Mr. Benson has failed in all three directions in which he has sought to move under the flexible program.

I wish to compliment the Committee on Agriculture and Forestry for bringing the bill to the floor of the Senate, and supporting the position of the House on 90-percent rigid supports for basic commodities, under acreage restrictions, which are aimed at cutting down the growing surpluses we have.

I feel any agricultural program can work only as long as we start with a basic program of 90 percent of parity. When we depart from that, we invite disaster. I care not how much money Mr. Benson wishes to spend on research. The only program for which he has asked greater amounts of money is for research. No matter how much he spends on research, he still cannot teach the farmers to live without income. Yet, under his program, farmers have found themselves to be in dire necessity, because each succeeding year under Mr. Benson, the farmer's position, both capital goodwise and incomewise, has deteriorated. When the farmer's income deteriorates to the breaking point, we shall find small businesses in small towns having difficulty, then big businesses, and then big manufacturers will sooner or later feel the pangs of economic disaster born of a farm depression legislated by the present Secretary of Agriculture, Mr. Benson, and brought about as a result of the failure of the flexible price-support program.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, March 7, 1956, he presented the President of the United States the following enrolled bills:

S. 578. An act for the relief of Edmund Lowe and Richard Lowe; and

S. 1483. An act for the relief of Irfan Kavar.

RECESS

The PRESIDING OFFICER (Mr. ELLENDER in the chair). What is the pleasure of the Senate?

Mr. MONRONEY. Mr. President, pursuant to the order previously entered, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 11 o'clock and 3 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, March 8, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 7 (legislative day, March 6), 1956:

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Herbert V. Prochnow, of Illinois, to be United States Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

DEPARTMENT OF STATE

Robert C. Hill, of New Hampshire, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Fletcher Warren, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

The following-named Foreign Service officers for promotion from the class of career minister to the class of career Ambassador:

James Clement Dunn, of New York.

Loy W. Henderson, of Colorado.

H. Freeman Matthews, of the District of Columbia.

Robert D. Murphy, of Wisconsin.

The following-named Foreign Service officers for promotion from class 1 to the class of career minister:

Don C. Bliss, of New Jersey.

James C. H. Bonbright, of New York.

Philip W. Bonsal, of the District of Columbia.

Hugh S. Cumming, Jr., of Virginia.

Walter C. Dowling, of Georgia.

Cecil B. Lyon, of New Hampshire.

James S. Moose, Jr., of Arkansas.

William J. Sebald, of the District of Columbia.

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Robert G. Miner, of New York.

Barr V. Washburn, of Utah.

The following-named persons for appointment as Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America:

William H. Bray, Jr., of Missouri.

Harry H. Schwartz, of Ohio.

Paul C. Hutton, of Colorado, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Benjamin Bock, of Texas.

Frank M. Bryan, of Washington.

John Pryor Furman, of Virginia.

George O. Gray, of New Mexico.

George R. Jacobs, of Illinois.

Edward R. Kelley, of New York.

Robert Klaber, of Maryland.

Guy A. Lee, of Indiana.

Donald H. Nichols, of New Mexico.

R. Douglas Smith, of Virginia.

Miss Rebecca G. Wellington, of the District of Columbia.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:

Joseph A. Angotti, of West Virginia.

Miss Elizabeth R. Balmer, of Massachusetts.

Clifford O. Barker, of Virginia.

Raymond E. Chapman, of Michigan.

Frank A. Ecker, of Maryland.

John L. Hagan, of Virginia.

Earl T. Hart, of North Carolina.

Mrs. Mary S. Johnston, of Massachusetts.

Dallas L. Jones, Jr., of Louisiana.

Charles J. Kolinski, of Wisconsin.

Miss Lillie Levine, of Iowa.

Floyd W. McCoy, of Ohio.

Vernon L. Merrill, of West Virginia.

Walter L. Nelson, of Wisconsin.

Douglas B. O'Connell, of New York.
W. Angie Smith III, of Texas.
Eldridge A. Slight, of Virginia.
Richard Straus, of Maryland.
Casimir L. Sutula, of Connecticut.

Mrs. Kathleen Clifton Taylor, of Washington.

Karl F. Weygand, of Massachusetts.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Raymond Bastianello, of Texas.
Miss Virginia Whitfield Collins, of Florida.
William J. Drew, of Massachusetts.
Robert D. Hodgson, of Michigan.
William C. Kinsey, of Virginia.
Waldemar A. Olson, of Wisconsin.
Joel Orlen, of Massachusetts.
Muneo Sakaue, of California.
Peter Simon, of New York.

Thomas E. Tait, of New Jersey.
Miss Marion M. Whinery, of California.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Paul J. Aylward, Jr., of Kansas.
Curtis B. Brooks, of Vermont.
Don T. Christensen, of California.
Robert S. Dillon, of Virginia.
Guido C. Fenzi, of California.
Myles L. Greene, of Florida.
Harry W. Jacobs, of Kentucky.
James A. Klemstine, of Pennsylvania.
Albert A. Lakeland, Jr., of New York.
Jay R. Nussbaum, of New York.
Gerald A. Pinsky, of New York.
Miss Mary A. Roughan, of New Jersey.
Edward H. Springer, of Oregon.
Richard L. Springer, of Ohio.
Charles R. Stout, of California.

Frank G. Trinka, of New Jersey.
Frank M. Tucker, Jr., of Pennsylvania.
Frontis B. Wiggins, Jr., of Georgia.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Miss Alice C. Mahoney, of Arizona.
Eugene D. Sawyer, of New York.

Edmund R. Murphy, of Maryland, a Foreign Service Reserve officer, to be a consul of the United States of America.

Harold G. Williams, of Washington, a Foreign Service Reserve officer, to be a consul and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Dean J. Almy, Jr., of Maryland.
Thomas R. Craig, Jr., of West Virginia.
Wesley L. Laybourne, of Virginia.
Frederick U. Wells, of Maryland.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

March 9, 1956
March 8, 1956
84th-2nd, No. 41

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HIGHLIGHTS: Senate continued debate on farm bill, agreeing to amendment to eliminate rigid 90% price supports except for wheat. Sen. Aiken inserted letter from Secretary on program for cotton. Rep. Burdick criticized administration's farm program. Rep. Hays criticized and Rep. Martin defended Secretary's alleged activities in support of flexible price supports. Sen. Magnuson and Rep. Beamer introduced and Rep. Beamer discussed bill to regulate interstate transportation of farm workers. Rep. Hill introduced and discussed bill to simplify and improve credit facilities available to farmers.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. (pp. 3782-834, 3779). Agreed, 54 to 41, to the Anderson amendment to eliminate the provision for 90% price supports except for wheat. (pp. 3786-3803). Rejected, 44 to 46, the Humphrey amendment (as a substitute for the Hickenlooper amendment on corn) to establish the 1956 acreage allotment for corn at 50 million, and to provide for a referendum for 1957 (pp. 3815-3826). Pending at recess was the Daniel amendment (to the above Hickenlooper amendment), providing that the price of grain sorghums, barley, oats, and rye shall be supported to bear the same ratio to the support price of corn in the commercial corn-producing area as the feed value equivalents of such grains bear to the feed value of corn (pp. 3826-3834). Sens. Aiken (for himself and Sens. Young and Humphrey), Humphrey (for himself and Sen. Lehman), Byrd, Aiken (for himself and Sens. Williams, Anderson and Holland), Barrett, and Daniel (for himself and Sens. Johnson of Texas, Humphrey, Chavez, Young and Kerr) submitted amendments intended to be proposed to the bill. pp. 3758, 3834

Sen. Aiken inserted a letter he had received from the Secretary discussing the program for cotton in 1956. p. 3765

2. SEED STORAGE. Sen. Humphrey inserted resolutions received from a Crop Improvement Assoc. favoring a national seed storage facility, and endorsing increased funds for research on forage crops. p. 3754

3. PERSONNEL. The Post Office and Civil Service Committee reported without amendment S. 3237, to provide for continuance of Federal life-insurance coverage for employees receiving Employees' Compensation benefits (S. Rept. 1642); and without amendment S. 3315, to amend Sec. 5 of the Civil Service Retirement Act regarding death benefits (S. Rept. 1643). p. 3755
4. FOREIGN AFFAIRS. Sen. Malone spoke in opposition to U. S. membership in the Organization for Trade Cooperation, and inserted the text of the bill he recently introduced relating to it. p. 3763
5. NATIONAL ECONOMY. Sen. Murray inserted an address by Alvin H. Hansen outlining the task of promoting economic growth and stability. p. 3776

HOUSE

6. FARM PROGRAM. Rep. Burdick criticized the Administration's farm program on the points of government leased land, the soil bank, and flexible price supports. p. 3838
Rep. Hays criticized and Rep. Martin rebutted certain alleged activities of the Secretary in support of flexible price supports and cotton prices. p. 3841
7. FOREIGN TRADE. Rep. Bailey criticized the State Department's foreign trade policy and the General Agreement on Tariffs and Trade and inserted his statement before the Ways and Means Committee in opposition to certain tariff reductions. p. 3842
8. SMALL BUSINESS. Rep. Patman urged consideration of his motion for petition to force from committee H. R. 11, to provide for a change in the burden of proof in cases involving price discriminations under the Robinson-Patman Act. Rep. Patman discussed the provisions of the bill, stating that the sense of the bill is that "if the effect of a price discrimination 'may be substantially to lessen competition or tend to create a monopoly' then the discrimination is illegal." p. 3845
9. APPROPRIATIONS. On Mar. 7 the House rejected an amendment eliminating the provision for eleven supergrade positions in GSA in H. R. 9739, the independent offices appropriation bill for 1957. (Digest 40 stated that the amendment was agreed to.)
10. ADJOURNED until Mon., Mar. 12. pp. 3835, 3848

ITEMS IN APPENDIX

11. FARM PROGRAM. Sen. Lehman inserted a recent speech of Sen. Kefauver stating that the farm problem is "no myth--it's a fact which demands attention now, if we are going to avert real trouble throughout our economy," criticizing the administration of the farm program, and urging the adoption of a food-stamp plan to aid in disposing of surplus commodities. p. A2154
Rep. Hosmer inserted the results of an opinion poll favoring the proposed soil-bank plan and flexible price supports. p. A2163
Rep. Osmer inserted G. W. Johnstone's, public information and relations, letter commending the Secretary's half-hour TV show in response to Edw. R. Murrow's program. p. A2169
Rep. Albert inserted an Okla. Ass'n of Soil Conservation Districts telegram urging 90-percent support for basic commodities, stockpiling of storageable surplus commodities, and opposing the acreage-reserve features of the soil-bank proposal. p. A2176

private economy. But Government ownership and operation of the means of production—the classical definition of socialism—is not noticeably on the increase. The recent massive volume by the 20th Century Fund on America's Needs and Resources discloses the interesting fact that employment in public enterprises has increased only slightly from 1.3 percent in 1929 to 1.8 percent in 1950. It is the "welfare state" that is growing, not the Government as owner or operator. The welfare state is primarily a redistributor of income, and a colossal purchaser of the products of private enterprise.

The growth of public budgets means that the public finance method of paying for goods and services will grow in relation to the market-price method. It does not mean that private enterprise is shrinking or that the tax base is shrinking. The goods are purchased from private enterprise. Thus private enterprise continues to grow in much the same proportion as the gross national production. The "welfare state" does not in any appreciable degree operate to supplant the system of private enterprise. Instead it makes it stronger and more workable.

THE PUBLIC DEBT

The budget settled, how is it to be financed? This involves decisions of the utmost importance for steady economic growth. First there is the matter of the tax structure paying proper regard to the principle of progressivity. And next there is the matter of tax versus loan financing, as the case may be, depending upon the requirements of full employment and stability.

In this connection I will only mention in passing matters about which I have written and spoken, I fear, ad nauseam. I refer to the important role of a growing supply of liquid assets—money and "near money"—and the relation of this to the public debt. The widespread holdings of the public debt by individuals, savings institutions, corporations and commercial banks act as a cushion against recession. This is indeed a part of our built-in stabilizing machinery. We have witnessed during and since the war the far-reaching reciprocal relation between private debt and public debt, and more recently the shifts in commercial bank holdings of United States Government securities which has helped to stabilize the money supply. Experience has taught us the importance of ample holdings of liquid wealth by the private sector of the economy as an impelling force for buoyant economic growth. Yet the growth of liquid wealth during the last 20 to 25 years, is largely an accident, and we hear from time to time loud voices in high places demanding policies that would destroy it.

By now the shock of new ideas is pretty well over. Public opinion is in a more receptive mood. Have we not now reached a point at which it might be politically feasible to discuss the public debt and its role in the modern community on a more adult plane than seems to have been possible in the 10 years of the Employment Act. The record of the economic reports with respect to this matter does not, I fear, stand up well under scrutiny. The joint committee has, however, offered, it should be noted, a forum for public discussion of these matters which has been, I believe, of major educational value.

QUALITATIVE GOALS

We have had 20 years of vigorous discussion of compensatory tax policy resulting in virtually complete agreement among professional economists. Indeed I would be hard put to name any other policy measure about which there is so much unanimity of opinion. Yet in the current budget message and in the state of the Union message a tax principle is advocated wholly at variance with the principle of a compensatory tax policy. This point was effectively discussed by a number of distinguished participants,

including Randolph Paul, in the current hearings of Senator DOUGLAS' committee.

And now to conclude, 10 years ago, the Employment Act rightly emphasized the quantitative goals of maximum employment and production. Now, after 10 years of almost incredible output performance, we need to assess not merely the speed of our growth and progress, but also, the direction in which we are going. What qualitative goals shall we set up? What kind of a country do we wish to build? These are matters that we dare not overlook lest we perish, as a great Nation, in the midst of material plenty.

FAITH, HOPE, AND PARITY

Mr. WILEY. Mr. President, agriculture is a postwar casualty. Along the way, to meet the challenges of a global conflict, we expanded the farm business in America by more than 30 million acres, or an amount equal to the tillable land of Wisconsin and Illinois combined. After the war our rehabilitation program continued to call for gigantic production. Until about 1948, 14 percent of our total American farm production was going abroad. When our former allies and some of our former enemies got on their feet, they no longer needed our farm products. In fact they were soon trying to compete with us.

Although our own population is increasing about 2½ million each year, we cannot possibly consume the production that was geared to a world war situation.

Under our bipartisan national farm policy flexible price supports were conceived as a means of encouraging production, when needed, and as a means of discouraging production, when not needed. That policy also provided for the ever-normal granary known as the Commodity Credit Corporation, which is an excess supply tank designed to take surpluses off the market and send them back when needed. Fixed supports at 90 percent of all parity—based on 1909-1914 relationships—were invoked to meet the Korean situation, when greater production was needed. But when the Korean situation ended the politicians insisted on keeping up the wartime incentive during a peacetime era. Likewise, the changeover from old horse-and-buggy parity to modern parity was also stymied. Meanwhile this excess production, primarily in wheat, cotton, and rice, at prices which will not move the products in world markets, continued to pile up in the Commodity Credit Corporation. We have run out of storage space. We are storing wheat in more than 300 ships and on the ground in tents larger than Ringling Brothers' Big Top. Meanwhile, the politicians insist on 90 percent fixed parity, based on the 1909-14 relationship, even though mechanization has completely changed the picture, particularly in the case of wheat. For example, during the base parity period, 1909-14, 1 man-hour produced 26 bushels of wheat. Today, 1 man-hour produces more than 120 bushels of wheat.

The hog situation is bad because in the past year we produced 73,900,000 pigs, as compared with 61 million 2 years ago. Meat is perishable. There simply is not enough cold-storage space. At a lower price, however, pork is moving con-

sistently into the channels of consumption. The same was true of eggs a year ago. The amount of dairy products in excess of current consumption is not serious. Although production is up, consumption is up, also.

Mr. President, in this situation we need facts, not fantasy; we need statesmanship, rather than politicians. Also the cost-price squeeze is the farmer's greatest puzzle. The prices of the things we buy bear no direct relationship to the price schedule of the things we sell. Labor-management policies are of just as great concern to the farmers as are national farm policies.

Mr. President, unfortunately, I have not been able to read all the material in the CONGRESSIONAL RECORD in relation to the farm bill. However, I have given much consideration to this subject, and have prepared a statement on it. I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE FARM BILL

(Statement by Senator WILEY)

We all recognize that the eyes of the Nation are on the vote today in the Senate.

We recognize that the bill which we are going to vote on today will have to go to conference, where the conflicting Senate and House versions will have to be worked out.

We have, of course, had extensive debate in the Senate on this subject. My colleagues have for many days now submitted to the Senate—data showing the impact of the new bill on various segments of American agriculture.

It is not my intention to try to repeat now what they have already said in great detail. The record will, of course, speak for itself.

It is, however, my intention to present comments with regard to the impact of this bill, or any other similar bill, on agriculture in my own State, America's Dairyland—Wisconsin, and in other dairy States.

THE SIGNIFICANCE OF THE DAIRY WAY OF LIFE

In stressing the dairy aspects of this bill, I am not, I assure you, taking a narrow view of the farm picture.

After all, dairying is not simply one of many types of farming, rather, it is the greatest single source of cash income to all United States farmers.

It is the most vital single source of health and nutrition for every man, woman, and child in the United States population.

Whether for example, tobacco consumption goes up or down is of interest to the tobacco farmer, the cigarette, pipe, and cigar companies. But if dairying suffers that is a matter of major moment to our entire society.

CONTRAST BETWEEN DAIRYING AND OTHER COMMODITIES

I want to draw a clear distinction between the problems faced by dairying and those faced by some of the other agricultural commodities.

We, of the dairy region of our country, are as troubled about mounting surpluses, as is virtually any group in our country. Fortunately, great progress has been made in reducing at least the dairy surplus, through sales, donations, etc.

Meanwhile, however, the surpluses of other farm products have continued at a terrifically high level: Cotton, tobacco, wheat, corn, etc.

I, for one, want to see higher milk checks for Wisconsin farmers.

As regards other commodities, I shall vote so as to prevent higher cotton and related

surpluses. I want it clearly understood that so far as I am concerned, there is a tremendous distinction to be drawn between the dairy problem, and the problem faced by other commodities.

Moreover, I want it clearly understood that the method for computing dairy parity is one of the most crucial aspects of the problem, in addition to the question of the level of dairy parity.

GIVE FARMERS COST OF PRODUCTION AND PROFIT

In speech after speech in my State, people have always asked me, "Senator, what specific figure do you favor for dairy parity?"

I have stated that my answer is very simple: I want that figure—that level—that price—which will give the dairyman his cost of production, plus a reasonable profit.

If you compute dairy parity soundly, then at least you take a major step forward in giving the dairyman a fair break, and that is what I am urging today.

THERE MUST BE PARITY SUPPORT

There may be some Americans who think that there should be no dairy parity supports at all for the milk farmer. They may not realize some of the facts concerning dairying's crucial importance, and it is for this reason that I am setting forth a detailed description of the severe problem faced by dairying.

Remember the whole history of many past societies reflects too often the tragic pattern of dairying's decline—resulting in a decline of nutrition, a decline of fertilizer for the soil and consequently, the utter depletion of the soil.

That must not happen here. Dairying is not a job; it is a way of life.

Dairying is essential in every respect to America.

Other types of farming rob the soil. Dairying enriches the soil. Thus, as we survey this bill, we hope that the proposed soil bank provisions will work to enrich America's soil, but regardless of how well they succeed, we can ill afford a decline in United States dairying.

THE GRIM FARM FACTS IN WISCONSIN

My own State of Wisconsin has, of course, the greatest number of milk cows—2,311,000—in the Nation, with the highest milk production (in 1955, amounting to 16.5 billion pounds).

The farm picture in Wisconsin is inevitably a reflection of the national agricultural scene. And I say in all frankness, it is a grim reflection indeed. For those Wisconsin farmers distant from the major metropolitan milksheds and from high fluid milk sales, the picture is particularly grim.

Milk checks have shrunk and dairy purchasing power is down, down, down. For all Wisconsin dairy farmers the cost of production has gone up and the prices received for products have skidded downward. In January of 1956, the purchasing power of our Wisconsin farm products hit the lowest level of any January since 1939.

The latest farm census shows that the number of farms in Wisconsin has dropped from 168,561 in 1950 to 153,558—a drop of over 15,000 farms, or nearly 9 percent. Incidentally, 10,725 of these were the small ones—from 10 to 99 acres. Now is the lowest number of farms in Wisconsin since 1890.

Approximately 40 percent of our Wisconsin farmers have had to become part-time farmers, to supplement their incomes. They have had to go out and find other jobs, so that they can meet expenses and support their families.

THE PITTANCE RETURN FOR THE FARMER

The average wage of the Wisconsin farmer is computed at only 41 cents an hour—I repeat "average;" it gets as low as 11 cents an hour.

What kind of a return is that when the average wage in United States manufactur-

ing is well over \$2 an hour for a 40 hour week? So, the farmer earns little, and the farm laborer, despite wage increases, still gets a very modest return.

I AM TALKING FOR THE LITTLE FELLOW

Remember, I am talking basically of the family-sized farm in Wisconsin and in all America.

Badger farms now average only 146 acres. That is a bit larger than before, 9 acres more on the average than in 1950. But it is tiny compared to the giant farms of thousands and thousands of acres in parts of the Corn and Wheat and Cotton Belts.

The big fellows will fare well, particularly if they get rigid supports; but what about the little fellow? What about the family-sized farmer who faces the problem of huge surpluses in warehouses?

SOME FARM AUCTION NOTICES

Obviously, the President's remedial 9 point farm program must be acted upon. Time is short. City people must understand that the farmer must get parity support.

I have in my hand some farm auction notices from Wisconsin newspapers. Is that the type of future we want our farmers to look forward to—selling out, quitting the land of their fathers and forefathers? Is that the way we expect America to prosper? Is that the way we expect to nurture new American leadership? Do some city people forget that often in the past, great leaders have grown up from the farms to the helm of mighty corporations, cities, and States? Do we want farming to die out as a source of America's growth and strength?

Of course not.

The farm is the true laboratory of all life—where nature's mysteries—birth, growth and decline—rhythmically unfold with the seasons.

Springtime will soon be here, and with it the first buds, the first shoots. Where in the cities can we see so awesome and inspiring a drama as on the farm?

THE BACKBREAKING LOAD ON FARMER

But farming is no easy task. It is back-breaking. It is long and complex. The dairy farmer must be a plant and an insect expert, an amateur veterinarian, a mechanic, accountant, economist, and a dozen other specialties rolled into one—7 days a week, virtually 52 weeks a year.

I repeat I mention these facts so that the city man or woman may better appreciate the farmers' problems.

I mention them so that some city people may not say: "Oh, listen to those farm Senators, just talking about parity supports for the farm people, as if the farmer were the only one involved."

ALL AMERICANS AFFECTED BY DAIRY SITUATION

The consumer is very definitely involved in the farm question. He doesn't want to see huge cotton or tobacco surpluses. He does want to see dairy items produced for the stomach, not for the warehouse.

Thus, in trying to arrive at my decision on this bill, I have asked myself not just the question, "What is the best possible policy for United States farming?" Rather, I have asked: "What is the best policy for the public interest?" The interest of the consumer, who should increase his consumption of vitamin-rich dairy products—milk, butter, cheese, ice cream, dry milk solids? The interest of the laboring man, the businessman, the white collar worker, the dealer (who wants to sell, say, farm implements), the retailer, who wants to sell the farmer various items in stores in towns and villages; the automobile manufacturer, who wants to sell the farmer a new car.

So, although I speak now principally of the farmer's problems as such, I have certainly not thought of him exclusively.

In taking my stand, I have thought of the welfare of all of us—165 million of us.

I base my action on the indisputable premises that we can neither permit huge increases nor surpluses of the so-called six basic commodities nor can we afford to allow the vital dairy farm segment of our population to suffer further.

PROSPERITY EVERYWHERE BUT IN FARMING

Everywhere in our country we are enjoying record prosperity—everywhere but in farming. How long can we permit this ironic contrast to continue? Let us therefore take action on the President's nine-point program.

CURRENT BILL NO CURE-ALL

I do not say that the pending bill in its final form when it emerges from a conference committee—I do not say that it will automatically correct all phases of the situation.

But I do say that the present situation—the status quo—cannot and must not continue.

Of course, we will have new problems under the new law. But I doubt if they will be anywhere like as severe as those arising under the status quo, prior to the President's nine-point program and prior to recomputation of the base period used in the dairy parity index.

DAIRYING PUSHING SELF-HELP PROGRAM

Let me say that, although I have been speaking necessarily about legislation this afternoon, I recognize full well that legislation is no "magic wand" for improving the farmer's position.

Comprehensive self-help must be undertaken, and fortunately, it has been undertaken by the dairy industry.

The dairy farmer is definitely not leaving "everything up to Uncle Sam." He has been taking ever increasing steps in his own behalf. We have just been celebrating Wisconsin Cheese Week for example, so as to raise cheese consumption.

Traditionally, the farmer is self-reliant. He does not lean on the Government.

All that he asks is that he get minimum protection as under this bill. He asks for it, just as the laboring man gets protection in his minimum wage, the businessman gets protection in his minimum tariff, the airline gets protection against disastrous losses by getting mail subsidies, the railroads get protection by having received right-of-way from the Federal Government, various business interests are assured inexpensive service from the postal department by modest postal rates.

The farmer looks about him and sees all of these protective instances.

THE FARMER'S SPECIAL VULNERABILITY TO LOSS

He wonders, therefore, why he should be the only one to whom some city people would deny minimal protection.

Why should it be he, of all people, the only economic group in the entire population, which has to sell at wholesale and buy at retail, the only economic group which is almost at the absolute mercy, not only of avalanche supplies from other producers, but at the mercy, possibly, of the weather, insects, livestock disease, competition from synthetics, and from a wide range of other factors.

AN ESSENTIAL DAIRY PROVISION

Now, of all this 49-page, multiclaused committee bill, a "heart," so far as the dairy farmer is concerned is the section providing a new base period for determining the parity equivalent of manufactured milk—the period to be the 30-month span between July 1946 and December 1948.

This 30-month period represents a relative "free" market—that is, free of both price controls and price supports. The market—both before and since—has been held at somewhat artificial levels, by either OPS price ceilings or CCC inventories.

PARITY EQUIVALENT AMENDMENT

The basic purpose of the section is, of course, to provide stability in dairy price relationships in place of the present downward trend due to what I frankly feel were unwise administrative actions. The background is slightly technical, but let me briefly summarize it.

In 1949, to support the price of dairy products, the Department of Agriculture devised a formula to be used in determining the dollars and cents support price. This formula represents the ratio between (1) the price of all milk sold wholesale and (2) the price of milk used for butter, cheese, and other manufactured dairy products, during the period of July 1946 and December 1948, or a ratio of 88.5.

In 1954, the Department used a broader base, resulting in a new ratio of 84.1.

In 1955, the Department used a still broader base, resulting in a ratio of 83.7.

In 1956, a new base will result in a ratio of only 83.3.

At the present time, the support price for dairy products is \$3.15 per hundredweight. This actually represents approximately only 77 percent of parity, based upon the 88.5 ratio.

However, based upon the 83.7 ratio, the \$3.15 would appear to represent 80.2 percent parity.

In other words, the Department shows continuing so-called improvements to dairy farmers, but only through a lower and lower ratio on a constant support price.

BENEFITS OF NEW FORMULA

According to estimates, the new formula would increase the price of manufactured milk 11 cents per hundredweight—from \$3.15 to \$3.26.

This provision will protect dairy farmers against a reduction that could be made, under present parity computation, to \$2.88 per hundredweight.

For the consumer, there will be little change in the retail price of dairy products—perhaps 1 cent per pound on cheese, butter, and other items. This is a small amount in comparison to the ill effects on the economy of further price-depression in the dairy industry.

LETTERS FROM WISCONSIN URGE DAIRY RELIEF

Recently, I have had a flood of letters from my State, stressing the importance of equitable dairy provisions in the farm bill.

I now include a few excerpts from these messages in the RECORD at this point.

May I state that just within the past 24 hours, I have received a great many messages from Wisconsin dairymen. They include my friends in the National Milk Producers' Federation, the American Farm Bureau Federation, members of the National Grange, members of the National Farmers Union.

A great many farmers' union members, for example, have taken the time and the effort to phone to me here in Washington. I appreciate getting their views.

I have weighed all of their opinions most carefully.

Now, let Wisconsin farmers and their wives speak for themselves:

ROBERTS, WIS., March 4, 1956.

DEAR SENATOR WILEY: As the wife of a St. Croix County farmer, I am writing to request you to favor the Eisenhower farm program with flexible price support features. We hope you will support it in the Senate debate and in voting for it.

We earn our living on this 160-acre Wisconsin dairy farm with a hog enterprise as a sideline. A sound market for our milk and hogs, we believe, will come when the burdensome surplus discontinues holding down the natural return on a normal market.

There are many of our neighbors who favor flexible price supports and the other

features of the Eisenhower farm program.

Very truly yours,

Mrs. GARDINER GRAHAM.

FEBRUARY 26, 1956.

DEAR SENATOR WILEY: With respect to the farm bill which will be voted on in the Senate this week, I would like to see the restoration of high, 90 percent price supports removed and the remainder of the bill passed. I am in favor of the "soil bank" in principle and also the remainder of the administration's nine-point program.

As a farmer in St. Croix County, I am emphatically opposed to the restoration of high rigid price supports. This policy of high, rigid price supports has demonstrated during the past 4 years that it is bankrupt as a means to maintain farm income and a return to it could only continue to build up the surpluses which are driving down prices. Further, high rigid supports can only lead to such regimentation of our business that we will be, in effect, hired hands of the Government. Senator, I can run my farm better from here than anyone, whomsoever can from Washington.

Very truly yours,

RICHARD F. LEWINSKI.

RIVER FALLS, WIS.

ELMWOOD, WIS., February 24, 1956.

SENATOR WILEY: We want no more rigid price supports to add to the surplus in farm products.

Make no mistake about it, the farmers and businessmen in this area are really in trouble.

Yours truly,

Mrs. BYRDIE DODGE,
CHARLES F. DODGE.

OFFICE OF COUNTY TREASURER,
Neillsville, Wis., February 28, 1956.

HON. ALEXANDER WILEY,
United States Senator,
Washington, D. C.

DEAR MR. WILEY: I am in favor of the Eisenhower Farm program. I am asking you to be sure to be there to vote for this bill and work for its passage. I believe this bill will help the farmers all over the United States because it will be a direct payment to the farmer and not to some warehouse company as in the past.

Let's get it passed before spring planting time so we can start getting our prices and income up this crop year, for us farmers.

A supporter,

DONALD H. BRAATZ.

BRULE, WIS., March 2.

Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SIR: As a family-size dairy farmer for 40 years, I would like to have you vote for the soil-bank plan without the 90-percent supports. Those 90-percent support law have been no benefit for the last 10 years to Wisconsin farmers. They have actually been only useful to large corporation farmers and hobby farmers. Secretary Brannan had to destroy potatoes by kerosene and bulldozers to hold up the price. The consumer ate No. 2 potatoes and the family-size farmer is no longer in the potato business. If you want 1,000 farmers around the trading centers with gross income of \$8 million instead of 50 farmers on same income probably living in Florida and California at this season, don't legislate competition by high rigid price supports.

Sincerely,

BIRGER W. EKE.

TONY, WIS., February 29, 1956.

Senator ALEXANDER WILEY:

Yes, I am in favor of the Eisenhower farm program. Let's get it passed before spring

planting time so we can start getting our prices and income up this crop year.

GEORGE VANDER LOOP.

KILLSNAKE CREEK FARM,
Chilton, Wis., February 29, 1956.

Senator ALEXANDER WILEY,

Washington, D. C.

DEAR SIR: I have great concern over the farm bill S. 3183 now pending in the Senate. I am very much against the bill as it now stands. Surely you can see that setting up the new high rigid price supports would defeat every phase of the soil-bank program.

It has no real relief or help for the Wisconsin dairy farmer, or any livestock farmer for that matter. There are no restrictions for diverted acres going into livestock production.

I am for a program of bringing supply and demand to the marketplace and get the Government out.

Truly yours,

ELMER FEDERWITZ.

This, then, I believe, is the authentic voice of grassroots Wisconsin.

I do not say these are the only sentiments, because, as we well know, there is still considerable difference of opinion among worthy farmers and farm groups.

But I feel that these messages reflect a good sample of Wisconsin judgment, one which has been confirmed by messages from many prominent Wisconsin farm leaders to me.

STEP UP VOLUNTARY CONSUMPTION

One of many things on which all farmers agree is, however, the need for Americans voluntarily to eat more cheese, butter, ice cream, and drink more fluid milk.

I have urged down through the years, as I urge today, that the real answer to the dairy problem in America is to increase voluntary consumption.

Time after time, it has been pointed out by myself and others, that a genuine middle-class diet for the American people would tremendously raise present consumption totals.

Before World War II, families making more than \$5,000 per year, purchased 1,036 pounds of dairy foods per person.

Today, almost an economic revolution has occurred in America. We are becoming, in effect, a middle-class nation. There are fortunately fewer and fewer families in the lowest income brackets, and more and more people have reached middle-class standards and tastes.

Yet, as our people have gone up the income ladder, they have very definitely not yet acquired the middle-class standard of eating dairy foods.

But note this fact: If those families which have moved up in spending power were educated to take on the same milk consumption habits of the prewar middle-income families, then it is estimated that the demand for dairy food products would expand to an annual figure of 40 percent above the 1955 level within 5 to 10 years.

So, the problem is not overproduction; it is underconsumption. Underconsumption not simply by the needy, by low-income people, by youngsters, but underconsumption by those who assuredly can afford to buy but, unfortunately, do not buy sufficient dairy products.

A BRIGHT SPOT—THE SCHOOL-MILK PICTURE

Fortunately, we are taking steps through this pending legislation to step up school-milk consumption.

That is one of the bright spots in the past, present, and future.

Already, it is our national good fortune that 16 million youngsters are drinking milk under the school lunch and special school milk programs. They are consuming about

18 million half pints of milk every school day.

And it is expected that these two programs will use the equivalent of around 3 billion pounds of milk in fluid form and as manufactured products this year. That figure equals 2½ percent of the annual United States milk production.

I have been delighted to work every single inch of the way with the Department of Agriculture on the special school milk program, and down through the years, I have sponsored a good deal of legislation along these lines.

CONCLUSION—NO CURE-ALL IN RIGID OR FLEXIBLE PARITY

I want to say just a final word with regard to the pending bill. I believe that the President of the United States has followed very closely this agricultural situation. From his own deep appreciation of agriculture, from his own experience on his Gettysburg farm, he knows full well the problems faced by our farmers.

I know that in the months and years up ahead, he will continue to give dairy problems his deepest attention, and I, for one, pledge my continued contact with him and with the Department of Agriculture, toward this objective.

Yes, I am determined to assure a fair break for the dairyman. I don't believe, however, we can get a fair break for the dairyman by piling up still more cotton and tobacco surpluses in Government warehouses.

Rigid parity is no cure-all for the farm problem, as some groups have contended. Nor even is flexible parity. Rather, comprehensive action is essential, including self-help.

And such action should be directed not to enrich a few huge corporation-size farms. Already such huge farms are filling the CCC warehouses with more surpluses.

Rather, our goal should be to help the family-sized farm. The dairyman wants to

produce to fill stomachs, not to fill warehouses.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. LANGER. Mr. President, I have taken a very definite position in connection with the farm bill. In order that Senators may have the benefit of my opinion, I ask unanimous consent that a statement which I have prepared be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LANGER

Approximately five-sixths of all the farms in this Nation are 260 acres or less in size. These farms, in most instances, are family projects, in which the entire family participates. The income derived from these farms, and I must say it is exceedingly small, provides the family with the food, clothing, farm machinery, seed, and the necessities to sustain them throughout the year.

I think it is extremely important that we keep this in mind when we debate the present farm bill. I think we should keep in mind the fact that the legislation we pass in this body will affect the very existence of approximately 6 million farm families. It will determine whether these millions of families will begin to enjoy the present period of "prosperity" or whether they will continue to feel the hard pinch of declining farm prices.

S. 3183, the new farm bill submitted to the Senate by the Senate Agriculture and Forestry Committee, embodies many attempts to solve the problems facing the farmer. I want to take this opportunity to express my appreciation to all the members of this committee, and particularly to the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] for his untiring efforts to hear the many hundreds of witnesses who offered their proposals to improve the farm program.

This bill offers many beneficial proposals, but I think several modifications are needed to make it more helpful to the farm family. On Wednesday, February 22, I offered several amendments to the farm bill, and I hope they will be given favorable consideration. I want to offer some information which will give an idea of just what the farm family is up against under the present ill-advised and incompetent practices of the Department of Agriculture.

As Senators probably know, the farmer's share of the consumer's dollar as of December of 1955 was about 39 cents.

If we use the years 1947 to 1949 as a base, the following percentage figures indicate a great dislocation in our farm economy:

	Percent of base
Corporate income.....	157
Payrolls (factory).....	160
Net farm income.....	72

As we well know, the farmer's share of the national income is disproportionately low. He is experiencing no prosperity. Actually, the farmer was fortunate if he met one-half of his obligations last fall. The family-sized farm is facing bankruptcy.

I insert at this point the gross and net incomes per farm for the different regions in the United States for the years 1951 and 1954:

Region	Average realized gross income per farm		Average total net income per farm		Region	Average realized gross income per farm		Average total net income per farm	
	1951	1954	1951	1954		1951	1954	1951	1954
Total United States.....	\$6,714	\$6,666	\$2,919	\$2,413	South Atlantic:				
North Atlantic.....	7,635	7,812	2,455	1,860	Virginia.....	\$4,032	\$3,945	\$1,882	\$1,533
East North Central.....	7,541	7,718	3,229	3,004	West Virginia.....	2,490	2,493	1,130	1,056
West North Central.....	8,980	8,717	3,742	3,344	South Central:				
South Atlantic.....	4,322	4,363	2,169	1,674	Kentucky.....	3,403	3,335	1,791	1,714
South Central.....	4,133	4,089	2,007	1,600	Tennessee.....	2,832	2,805	1,468	1,172
Western.....	13,854	12,993	5,873	4,137	Alabama.....	2,799	2,906	1,443	1,094
North Atlantic:					Mississippi.....	2,671	2,856	1,374	1,329
New York.....	7,913	8,061	2,665	1,829	Arkansas.....	3,770	4,202	1,926	1,700
New Jersey.....	14,827	14,813	5,108	3,886	Louisiana.....	3,635	3,699	2,086	1,580
Pennsylvania.....	6,310	6,373	1,976	1,430	Oklahoma.....	6,059	4,932	2,105	1,504
East North Central:					Texas.....	7,472	6,870	3,334	2,325
Ohio.....	6,153	6,709	2,351	2,794	Western:				
Indiana.....	7,303	7,799	3,231	3,345	Montana.....	12,747	11,762	6,724	4,500
Illinois.....	10,895	11,099	4,489	4,308	Idaho.....	9,617	8,614	3,671	2,516
Michigan.....	5,475	5,411	2,372	1,612	Wyoming.....	15,995	12,240	8,180	2,432
Wisconsin.....	7,428	7,015	3,596	2,666	Colorado.....	13,370	11,300	4,654	1,964
West North Central:					New Mexico.....	10,478	8,884	4,717	2,849
Minnesota.....	7,843	8,008	3,632	3,117	Arizona.....	33,742	37,336	19,607	16,104
Iowa.....	12,295	12,251	4,957	5,235	Utah.....	8,166	8,884	3,543	2,148
Missouri.....	5,551	5,399	2,482	2,176	Nevada.....	20,243	13,922	9,753	4,298
North Dakota.....	9,235	7,913	3,808	2,171	Washington.....	8,901	8,816	3,509	3,565
South Dakota.....	9,652	9,390	5,160	3,390	Oregon.....	7,958	7,384	3,303	2,265
Nebraska.....	11,644	10,848	4,216	3,970	California.....	20,390	18,986	8,277	6,190
Kansas.....	8,888	8,077	3,133	2,718					

The accompanying chart shows a comparison of national income and income from agricultural sources to persons living on farms for the period 1910 to 1954:

TABLE 101.—National income and income from agricultural sources of persons living on farms, United States, 1910–54

Year	National income		Farm income ¹	
	Amount	1947-49= 100	Amount	1947-49= 100
	Million dollars	Percent	Million dollars	Percent
1910.....	33,252	16.7	4,703	27.3
1911.....	32,393	16.2	3,888	22.5
1912.....	35,022	17.5	4,975	28.8
1913.....	37,552	18.8	4,253	24.7
1914.....	36,454	18.3	4,677	27.1
1915.....	38,574	19.3	4,797	27.8
1916.....	45,174	22.6	5,103	29.6
1917.....	54,749	27.4	9,001	52.2
1918.....	59,301	29.7	9,736	56.5
1919.....	67,608	33.9	10,061	58.3
1920.....	75,730	37.9	9,009	52.2
1921.....	59,272	29.7	4,138	24.0
1922.....	60,970	30.5	5,081	29.5
1923.....	71,686	35.9	5,895	34.2
1924.....	71,251	35.7	5,681	32.9
1925.....	76,304	38.2	7,575	43.9
1926.....	80,937	40.5	6,810	39.5
1927.....	79,123	39.6	6,569	38.1
1928.....	81,467	40.8	6,844	39.7
1929.....	87,122	43.6	7,024	40.7
1930.....	75,501	37.8	5,060	29.3
1931.....	60,046	30.1	3,981	23.1
1932.....	43,049	21.6	2,510	14.6
1933.....	40,572	20.3	3,012	17.5
1934.....	49,405	24.7	3,428	19.9
1935.....	57,052	28.6	5,858	34.0
1936.....	64,250	32.2	4,954	28.7
1937.....	71,941	36.0	6,754	39.2
1938.....	65,671	32.9	5,101	29.6
1939.....	70,336	35.2	5,189	30.1
1940.....	77,638	38.9	5,299	30.7
1941.....	95,406	47.8	7,455	43.2
1942.....	124,105	62.2	11,074	64.2
1943.....	153,950	77.1	13,248	76.8
1944.....	167,648	84.0	13,352	77.4
1945.....	168,590	84.4	14,021	81.3
1946.....	169,730	85.0	16,721	97.8
1947.....	185,296	92.8	17,383	100.0
1948.....	208,980	104.7	19,704	114.3
1949.....	204,641	102.5	14,651	85.0

Footnote at end of table.

How the average Midwest farmer is doing as a worker

[All figures from 1954 operations]

	Average total income from farming	Average farm investment	5 percent return on farm investment	Hourly pay, with no return on investment	Hourly pay with 5 percent return on investment
				Cents	Cents
Wisconsin.....	\$1,995	\$29,885	\$1,494	54	14
Minnesota.....	2,175	38,596	1,930	62	7
North Dakota.....	2,165	37,111	1,856	68	10
South Dakota.....	2,562	48,509	2,425	75	8
Montana.....	5,023	67,914	3,396	167	54
5-State average.....	2,531	41,648	2,082	77	14

How the average Midwest farmer is doing as a businessman

[All figures from 1954 operations]

	Hours worked per family (a)	Average factory wage (b)	Labor return (aXb)	Net loss on investment if family paid factory wages	
				In dollars	In percent
Wisconsin.....	3,700	\$1.83	\$6,771	-\$4,776	-16
Minnesota.....	3,500	1.82	6,370	-4,195	-11
North Dakota.....	3,200	1.52	4,864	-2,699	-7
South Dakota.....	3,400	1.54	5,236	-2,674	-6
Montana.....	3,000	1.99	5,970	-947	-1
Five-State average.....	3,300	1.74	5,742	-3,211	-8

From: GTA Family Farm Survey.

PROSPERITY

We hear a great deal of talk today about the period of prosperity and well-being that we are now experiencing. Corporation profits are at a peak never before experienced in our history. Weekly earnings for manufacturing workers have been on a constant rise for a number of years.

But I assure Senators, that the farmer is

TABLE 101.—National income and income from agricultural sources of persons living on farms, United States, 1910–54—Con.

Year	National income		Farm income ¹	
	Amount	1947-49= 100	Amount	1947-49= 100
	Million dollars	Percent	Million dollars	Percent
1950.....	220,151	110.3	15,459	89.6
1951.....	250,779	125.6	18,003	104.4
1952.....	266,214	133.3	16,955	98.3
1953.....	279,007	139.8	14,833	86.0
1954.....	278,159	139.3	14,296	82.9

¹ Includes Government payments, 1933–55.

Data published currently in Farm Income Situation (AMS).

During 1955 the farm price index dropped 20 points in the State of North Dakota, and it is expected that this downward trend will continue in 1956. This is an 8-percent decrease for 1955, and the farm price index is expected to drop about 5 to 6 percent again in 1956. In 1955 the average price of wheat was down 15 cents less than in 1954; corn and oats were down 17 cents; barley, down 13 cents; rye, down 30 cents; and flax, down 24 cents, as compared to 1954.

This is the kind of prosperity the farmers are experiencing. They are faced with the alternative of leaving the farm and seeking employment in the urban labor market or continuing in a pursuit which they, their grandparents and great-grandparents have engaged, and which will result in greater indebtedness in 1956. Owners of family-sized farms are confronted with the decision of making another stab at seeding a crop. They want legislation which will give them a fair profit for their labor.

One might wonder how the farmer is doing as a worker or as a businessman. The attached two charts give a good idea of what the average Midwest farmer is receiving in the way of hourly pay or in return for his labor.

Rye was 73 percent of parity in 1933; today it is 43 percent of parity. In 1933, corn was 68 percent of parity; today, it is about the same.

There is certainly something wrong when prosperity reigns in one sector of our economy, and depression in another.

In 1948, it required about 40 hogs to buy a good tractor. Today, within a span of about 7 years, the same farmer must sell about 140 hogs to buy a tractor of the same quality.

Our prosperity is not all it is supposed to be. The farmer is not receiving parity with the rest of the country until we can get the farm family's net income on a par with the income of people in other walks of life, we will not have true prosperity. Until the owner of a family-sized farm receives a net income enabling him to provide his family with conveniences and educational opportunities enjoyed by urban families, we will not have true prosperity. And I might add that such low farm incomes will eventually, if such is not already the case, hurt the businessman, the worker, and the consumer.

IMPORTS AND EXPORTS

Another problem which has confronted the owner of the family-sized farm is our present policy of export and import of agricultural products. Our foreign economic and political policies have cut exports of agricultural products under the guise of improving international relations or bettering national defense. Farm exports have dropped about 25 percent since 1951. This has added greatly to the surplus in wheat which we have carried over from year to year.

We consume on an average of about 600 million bushels of wheat per year. Since 1951, we have produced annually about an average of 1 billion bushels of wheat per year. If this is the case, we would normally have a surplus of about 400 million bushels of wheat each year. The reduction in exports of farm products has added to the surplus on hand and, as of July 1, 1955, we had about 1 billion bushels of old wheat on hand. On July 1, 1951, before farm exports were curtailed, we had a total of about 300 million bushels of wheat on hand.

In 1951, we exported 422,670,035 bushels of wheat. In 10 months of 1955, we exported only 190,099,588 bushels of wheat. Is it any wonder that the surplus in wheat on hand is increasing with each year?

The accompanying figures show exports and imports of wheat, corn, oats, barley, rye, wool, pork and beef products.

Wheat: United States imports and exports, Canada and all sources, 1950 to date

Calendar year	Imports		Exports	
	[Bushels]		[Bushels]	
	From Canada	All sources	From Canada	All sources
1950.....	1,001,435	1,001,435	3,235,045	3,235,163
1951.....	1,086,753	1,086,783	26,247,942	26,247,942
1952.....	1,096,545	1,096,711	30,602,327	30,606,918
1953.....	878,224	878,256	4,399,542	4,399,556
1954.....	999,364	999,625	3,621,083	3,621,873
1955 (10 months).....	997,072	1,002,000	3,735,040	3,735,872

Calendar year	All wheat	
	To Canada	All sources
1950.....	1,868,399	206,063,811
1951.....	1,229,377	422,670,035
1952.....	346,676	369,487,070
1953.....	2,523	235,573,421
1954.....	1,900	192,148,261
1955 (10 months).....	1,296,036	190,099,588

Prepared in Import Division, FAS.
Source: Bureau of Census Reports (FT-110-FT-410).

not drifting with the tide. Let's compare some figures for the price of grain the farmers receive today with those that were received by farmers during the great depression of 1933. The national average price for wheat in 1933 was 70 percent of parity; today, it is 76 percent of parity. The national average price of barley in 1933 was 58 percent; today, it is 50 percent of parity.

United States imports and exports of agricultural commodities, Canada and all sources, 1946 to date—Continued

IMPORTS

Calendar year	Corn ¹		Oats		Barley ²		Rye		Wool		Pork products		Beef and veal	
	From Canada	Total, all sources	From Canada	Total, all sources	From Canada	Total, all sources	From Canada	Total, all sources	From Canada	Total, all sources	From Canada	Total, all sources	From Canada	Total, all sources
	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds
1946.....	94	720	4,199	4,199	4,509	4,509	992	992	2,702	638,901	179	460	85	17,734
1947.....	83	622	723	736	306	319	818	818	1,176	398,512	250	318	34	34,479
1948.....	56	624	12,852	13,229	7,330	7,342	2,040	2,040	1,379	478,569	593	849	79,753	208,021
1949.....	50	742	17,020	17,020	15,007	15,419	12,190	12,190	1,084	272,324	683	2,889	88,237	157,301
1950.....	35	717	16,368	19,712	15,349	15,556	3,890	3,890	1,596	466,261	14,781	31,630	73,369	198,895
1951.....	57	729	51,464	51,517	15,188	15,204	1,561	1,561	1,027	555,175	22,427	48,952	91,613	312,817
1952.....	62	973	67,771	67,812	17,938	18,514	2,145	2,145	1,455	366,447	18,515	62,011	2,027	252,571
1953.....	47	936	87,304	88,753	36,555	36,699	15,867	15,867	1,137	294,196	65,083	146,027	17,495	140,033
1954.....	33	1,175	31,609	34,462	29,248	29,766	4,972	4,973	735	205,856	66,923	170,327	7,693	125,693
1955 (10 months).....	24	1,040	9,569	15,012	12,450	12,523	3,332	3,333	331	213,904	55,084	135,731	6,033	99,435

United States imports and exports of agricultural commodities, Canada and all sources, 1946 to date

EXPORTS

Calendar year	Corn ¹		Oats		Barley ²		Rye		Wool		Pork products		Beef and veal	
	To Canada	Total, all sources	To Canada	Total, all sources	To Canada	Total, all sources	To Canada	Total, all sources	To Canada	Total, all sources	To Canada	Total, all sources	To Canada	Total, all sources
	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand bushels	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds
1946.....	2,379	15,573	1,063	25,507	1,407	32,957	1,385	3,176	402	8,084	851	282,103	335	424,967
1947.....	8,048	127,563	3	13,077	72	32,957	1,385	1,764	92	12,621	1,832	59,457	611	159,108
1948.....	10,431	23,604	352	14,349	66	15,925	2	1,110	1,340	11,071	2,023	28,640	48	15,406
1949.....	16,918	133,908	836	20,769	2,658	32,870	2	8,460	215	14,886	3,218	59,649	1,169	19,604
1950.....	24,932	96,280	175	1,548	243	19,704	3	3,358	3	6,683	4,861	58,258	10,448	16,519
1951.....	11,741	100,083	-----	3,437	3,635	43,038	39	5,516	213	218	21,882	82,250	8,287	11,608
1952.....	6,392	99,498	-----	1,415	2,518	41,004	8	4,480	6	8	4,454	96,755	9,318	14,734
1953.....	5,729	131,383	6	1,214	288	21,907	-----	4	153	1,447	102	79,408	11,712	38,730
1954.....	11,433	76,549	11	991	9	25,707	7	1,075	84	1,182	97	52,893	12,187	33,824
1955 (10 months).....	3,025	79,584	24	16,177	14	56,131	1	3,129	101	202	45	54,144	11,309	34,571

¹ Includes seed corn.
² Includes malt.

Source: Foreign Agricultural Trade 1946 to 1954; FT110-FT410 Bureau of Census

FARM MACHINERY

Probably the greatest profits made by any manufacturer in recent years were those which came to the farm machinery manufacturers.

If we use the period from 1947 to 1949 as a base, we will find that the cost of farm machinery rose 30 percent in 1955.

Most farm machinery manufacturers appear to have settled on a 7-percent price increase during the year 1955. The Ford Motor Co. led the profiteering parade in 1955 with a boost in its prices for farm machinery from 3¼ to 8½ percent.

On January 5 of this year, I stated in a speech given before this body, that it would be well for all of us to examine the issues of the Wall Street Journal of several years ago and notice the quotations for the stock of some of the machinery manufacturers and compare those quotations of several years ago with those quotations for the stock of these companies as of today. As you will notice from the figures quoted below, the prices of some of those stocks have doubled or tripled.

I include in the RECORD at this point the quotations on common and preferred stock over a period of several years for the Allis-Chalmers Manufacturing Co., J. I. Case, John Deere Co., and International Harvester Co.

ALLIS-CHALMERS MANUFACTURING CO.

Capital changes: Split in 1929 of common stock. August 26, 1946, 500,000 new serial preferred shares (\$100 par) authorized, 359,373 of which designated 3¼ percent convertible series.

May 6, 1953, authorized common increased from 3,750,000 to 5 million shares and par value was changed from no par to \$20, share for share.

May 5, 1954, authorized serial preferred stock increased to 618,854 shares, and a second issue (350,000 shares) established as

4.08 percent series. At same time, stockholders approved a change in the articles of incorporation which eliminated existing preemptive rights of common stockholders. Stockholders, December 31, 1954: Preferred, 3,001; common, 35,465.

Year at New York Stock Exchange	Preferred	Common
1940.....	None	41½-21¾
1945.....	None	56½-38½
1954.....	147½-93¼	74½-45½
Feb. 29, 1956.....	142	71¾

J. I. CASE

Capital changes: December 9, 1943, authorized common was changed from 300,000 shares (\$100 par) to 1,200,000 shares (\$25 par) for a 4-for-1 split. April 17, 1952, authorized common was changed to 4 million shares (\$12.50 par) for a 2-for-1 split.

Stockholders: Preferred, about 1, 235; common, about 7,770.

Year at New York Stock Exchange	Preferred	Common
1940.....	120 -100	175 -39¼
1945.....	175 -152	48¼-35½
1954.....	129½-113	19¼-13½
Feb. 29, 1956.....	118	16½

¹ 1943 split.

JOHN DEERE & CO.

Capital changes—one split in 1930. Another split on July 8, 1952, authorized common changed from 5 million no par shares to 10 million of \$5 par, for a 2-for-1 split of 3,004,362 shares. Authorized preferred reduced from 2 million to 1,543,000 shares. Stockholders: preferred, 4,900; common, 16,700, as of October 31, 1954.

Year at New York Stock Exchange	Preferred	Common
1940.....	28½-21	23½-13¾
1945.....	40½-34½	147½-39¾
1954.....	35½-32¾	35½-24¼
Feb. 29, 1956.....	34½	34½

¹ 1952 split.

INTERNATIONAL HARVESTER CO.

Capital changes: In June 1948, no-par common shares were split 3 for 1. Relative voting rights of the preferred were maintained in both cases.

November 1, 1952, company canceled 6,601 preferred and 490,458 common shares previously held in treasury, thereby reducing authorized amount of preferred and common from 1 million and 18 million shares, respectively, to 993,399 and 17,509,542. Stockholders, December 31, 1954: Preferred, 10,015; common, 93,205.

Year at New York Stock Exchange	Preferred	Common
1940.....	173 -145	62¼-38
1945.....	193 -178½	100¼-74¼
1954.....	176½-159	38½-27¾
Feb. 28, 1956.....	174	38

¹ 1948 split.

As I have stated many times, it is most discouraging to any young veteran who wishes to begin farming to see the price of farm machinery. In many, many instances, veterans have borrowed money and invested in land and machinery and today find themselves so deeply in debt due to declining farm prices that they are contemplating selling out everything and are heading for the urban labor market. I can assure Senators

that such practices are going to have a profound effect on our economy if they are permitted to continue without remedial legislation.

CREDIT

I have received hundreds of letters from farm families who are concerned about where they will get the money for seed, oil, gas, and feed in order to put in this year's crop. Most of these farm families made little, if any, profit on their 1955 crop.

There are many farmers with whom I have talked who already have their farm machinery, their homes, their land, and in many instances, even their livestock mortgaged to the hilt. And this has come about during a period, we are told, of great prosperity.

During this period of declining farm prices, access to credit is the most important privilege a farmer can enjoy. This is especially true for our young veterans who have started farming within recent years. It is the duty of this Congress to insure that the administration of credit to farmers is closely monitored to provide an adequate supply of credit at all times during the ensuing year.

PRICE SUPPORTS

The administration and this Congress are again playing politics with the farmer's well-being. Last May, when the House passed a rigid price-support bill by a majority of six votes, I immediately wrote the chairman of the Senate Agriculture and Forestry Committee, requesting that the committee promptly report out the bill so that the Senate could take action on it before we adjourned last July 31. We Senators from the Northwest pressed hard for the same bill that the House passed—namely, the one giving 90 percent of parity—but we were unable to force the bill out of the committee. I am not a member of the Agriculture and Forestry Committee, but I have learned since then that the measure was defeated in the committee by a vote of 8 to 7. That committee had all of the rest of May and all of June and July of 1955 to report the bill to the floor of the Senate, but they failed to do so.

Now, the Senate Agriculture and Forestry Committee has submitted a new farm bill to the Senate. This bill takes only half the giant step that is needed. We need firm and adequate price-support legislation for all, and I repeat all agriculture commodities, and firm and adequate price-support legislation administration.

And how is the President playing politics with the farmer? Let me read you a portion of the speech Mr. Eisenhower gave at Kasson, Minn., on September 6, 1952, before he became President:

"And here and now, without any ifs or buts I say to you that I stand behind * * * the price-support laws now on the books. This includes the amendment to continue through 1954 the price supports on basic commodities at 90 percent of parity.

"I firmly believe that agriculture is entitled to a fair, full share of the national income. * * * A fair share is not merely 90 percent * * * but full parity."

And again at Brookings, S. Dak., on October 4, 1952, 1 month before the presidential election, Mr. Eisenhower said:

"The Republican Party is pledged to the sustaining of the 90-percent parity price supports and it is pledged ever more than that to helping the farmer to obtain his full parity, 100 percent parity."

What is the President saying today? A nationwide advertising and public-relations campaign has just been announced in an effort not only to repudiate the work of the Senate Agriculture and Forestry Committee but also to defeat price supports. Glancing at some of these advertisements sponsored by the Republican senatorial and congressional committee, it appears that the farmers' worries will be over if we can just get passage

of the soil-bank plan. I can assure you, Mr. President, that the soil-bank plan is of little benefit to the owner of the family-sized farm. How can we expect this type of farmer to set aside land in any acreage reserve when he can barely sustain himself with the land he has under cultivation during current declining farm prices?

On February 22, I submitted several amendments to S. 3183 in an effort to provide an improved farm program. One amendment would substitute a comprehensive full parity farm-income program for the partial-parity provision of the Senate bill. This amendment establishes: (1) Parity income for farmers, (2) equitable relationships between the parity price of the various farm commodities, and (3) fair levels of income for farmers equivalent to people in other walks of life. These conditions are absolutely essential in any legislation passed by this Congress to aid the owner of the family-sized farm.

The following tabulation shows a comparison of prices received by farmers for commodities with firm price supports, with sliding-scale price supports, and without price supports.

Sliding-scale advocates say firm price supports are not effective—Facts are: price supports cushion drop in net farm income

	Without price-support program	
	Farm operators net farm income	Percent change
	(Billions)	
1920.....	\$6.9	
1921.....	3.7	Down 46 percent.

	With partial price-support program	
	Farm operators net farm income	Percent change
	(Billions)	
1952.....	\$14.9	Down 17 percent.
1954.....	12.3	Down 16 percent.
1955 (3d quarter).....	10.6	Down 29 percent.

FARM PRICES ARE MADE IN WASHINGTON

Percent change from 1952 to 1954 in prices received by farmers for commodities (based on prices as of Oct. 15, 1952 and 1955)

I. WITH FIRM, ADEQUATE PRICE SUPPORTS

Cotton.....	Down 11 percent.
Peanuts.....	Up 6 percent.
Tobacco, burley.....	Up 8 percent.
Wool.....	Up 17 percent.

Sliding scale has not reduced farm production

[When support levels were reduced, production increased, except where marketing quotas were put into effect]

Commodity	Level of support			Production (millions of units)		
	1952, per unit	1955, per unit	Percent change	1952	1955	Percent change
Wheat, bushel.....	\$2.20	\$2.06	-6	1,299	1,917	1-29
Rice, hundredweight.....	\$5.04	\$4.66	-8	48	149	1-2
Cotton, pounds and bales.....	\$0.31	\$0.31	0	15.1	112.9	1-15
Corn, bushel.....	\$1.60	\$1.58	-1	2,977	3,113	2+5
Oats, bushel.....	\$0.78	\$0.61	-22	1,260	1,636	+30
Sorghum grain, hundredweight.....	\$2.38	\$1.78	-25	83	227	+173
Soybeans, bushel.....	\$2.56	\$2.04	-20	298	388	+30
Milk, percent.....	90	75	-17	80,812	87,773	+9
Barley, bushel.....	\$1.22	\$0.94	-23	226	387	+71
Flaxseed, bushel.....	\$3.77	\$2.91	-23	30	43	+42
Rye, bushel.....	\$1.42	\$1.18	-17	16	28	+75

¹ Marketing quotas in operation in 1955 but not in 1952.
² Acreage allotments in operation in 1955 but not in 1952.
³ Percent.

Percent change from 1952 to 1954 in prices received by farmers for commodities (based on prices as of Oct. 15, 1952 and 1955)—Continued

II. WITH SLIDING-SCALE PRICE SUPPORTS

Barley.....	Down 36 percent.
Beans, dry edible.....	Down 17 percent.
Butterfat.....	Down 23 percent.
Corn.....	Down 25 percent.
Cottonseed.....	Down 38 percent.
Flaxseed.....	Down 26 percent.
Grain sorghum.....	Down 43 percent.
Milk (manufactured).....	Down 18 percent.
Oats.....	Down 29 percent.
Rice.....	Down 20 percent.
Rye.....	Down 47 percent.
Soybeans.....	Down 23 percent.
Wheat.....	Down 6 percent.

III. WITHOUT PRICE SUPPORTS

Calves.....	Down 23 percent.
Chickens, all.....	Down 17 percent.
Beef cattle.....	Down 29 percent.
Eggs.....	Down 15 percent.
Hay.....	Down 20 percent.
Hogs.....	Down 22 percent.
Lambs.....	Down 21 percent.
Potatoes.....	Down 66 percent.
Sweetpotatoes.....	Down 51 percent.
Turkeys.....	Down 4 percent.

Percent change from 1952 to 1954 in prices received by farmers for commodities (based on prices as of Oct. 15, 1952 and 1954)

I. WITH FIRM, ADEQUATE PRICE SUPPORTS

Corn.....	Down 5 percent.
Cotton.....	Down 6 percent.
Peanuts.....	Up 3 percent.
Rice.....	Down 22 percent.
Tobacco, burley.....	Up 5 percent.
Wheat.....	No change.
Wool.....	Up 4 percent.

II. WITH SLIDING-SCALE PRICE SUPPORTS

Barley.....	Down 24 percent.
Beans, dry edible.....	Down 8 percent.
Butterfat.....	Down 23 percent.
Cottonseed.....	Down 15 percent.
Flaxseed.....	Down 18 percent.
Grain sorghum.....	Down 26 percent.
Milk (manufactured).....	Down 22 percent.
Oats.....	Down 12 percent.
Rye.....	Down 31 percent.
Soybeans.....	Down 6 percent.

III. WITHOUT PRICE SUPPORTS

Beef cattle.....	Down 28 percent.
Calves.....	Down 34 percent.
Chickens, all.....	Down 28 percent.
Eggs.....	Down 36 percent.
Hay.....	Down 14 percent.
Hogs.....	Down 1 percent.
Lambs.....	Down 21 percent.
Potatoes.....	Down 56 percent.
Sweet potatoes.....	Down 28 percent.
Turkeys.....	Down 17.5 percent.

Passage of price-support legislation on corn would give a price of \$1.64 per bushel, as compared to \$1.40 which we now have. Passage of the price-support bill would mean a price of \$2.25 a bushel for wheat, as compared to \$1.81 which we now have. This represents 24 cents difference in the case of corn and 44 cents difference in the case of wheat. These few cents per bushel can go far to raising the income of the farmer.

I urge the Members of this distinguished body to take the farm problem in hand at this 11th hour and give the owners of family-sized farms the legislation they need to make this a period of true prosperity.

The PRESIDING OFFICER. In accordance with the terms of the unanimous-consent agreement, the Senate will proceed with the consideration of the farm bill.

The question is on agreeing to the amendment of the Senator from New Mexico [Mr. ANDERSON], striking out section 101.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The time is under the control of the Senator from New Mexico.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from New Mexico yield for that purpose?

Mr. ANDERSON. Mr. President, may we not agree that the time consumed by the quorum call be taken equally from both sides?

The PRESIDING OFFICER. That can be done by unanimous consent.

Mr. ANDERSON. I ask unanimous consent that there be a quorum call, and that the time be taken equally from both sides.

The PRESIDING OFFICER. Is there objection?

Mr. BARKLEY. Mr. President, reserving the right to object, in view of the limitation of 1 hour to each side in connection with each amendment, why would it not be better to have a quorum call and not take any time from either side?

Mr. ANDERSON. I would prefer to have it that way. I therefore modify my request. I ask unanimous consent that there be a quorum call, at the suggestion of the Senator from Massachusetts [Mr. SALTONSTALL], and that the time be not charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, I yield myself 5 minutes.

The first amendment which I have offered on behalf of myself and many other members of the Committee on Agriculture and Forestry poses at the very beginning the whole question which will arise steadily in the farm bill discussion. If we are to renew the 90 percent price supports, then we ought to know it at the

very outlet, because that question affects the votes on many other questions to follow. If we are to place 90 percent price supports back into our agricultural economy, there is not much point in voting for a soil bank. We should not be placed in the position of reducing production with one hand, through the soil bank, and stimulating it with the other, through rigid, high price supports. It makes absolutely no sense. I am sure every Member of the Senate recognizes that fact. Therefore, we ought to vote, in the very beginning, on the question of whether or not we shall return to a system of high, rigid, 90 percent price supports.

I think every Member of the Senate should ask himself how far he wants agricultural income to drop. All he has to do is realize that at the end of World War II net farm income was at a level of \$17 billion. Gross farm income was at a much higher figure.

We had 90 percent price supports in 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, and 1954. A great many commodities have been supported at that high level during 1955. In all those years we have watched farm income go down. Net farm income dropped from \$17 billion to \$14 billion, \$13 billion, \$12 billion, \$11 billion, and finally \$10½ billion.

I ask those who want to put back high rigid price supports, without controls—because apparently we are not to have controls—how far down they will drive farm income before they are satisfied. Net farm income has gone down from \$16¾ billion to \$10.2 billion.

An announcement was made a few days ago that gross farm income was down another billion for this year. We realize that it will continue to go down. How far do we want to drive it down by insistence upon high price supports without production controls?

I hope very much that the very first thing we shall settle is whether or not we are to try to saddle the American farmer again with the production of large surpluses. I think the thing we must settle by our very first vote is which way the entire debate is going. If it is going in the direction of high stimulating supports, everything else ought to be tied to that principle. There is no reason to turn down various amendments which have been offered if we are to start with a high level on one particular commodity.

There is no reason why we should throw away any money on the soil bank—and that is what we would be doing—under high, rigid price supports. As a matter of fact, I believe the soil bank is not workable under high, rigid supports. I say that because I believe farmers will continue to plant the crop they believe is most satisfactory from a money standpoint, and there will be no reason for them to use the soil bank.

Mr. President, I wish to review briefly the economic developments which, in my opinion, have created the present serious situation.

Inevitably, when the price of a commodity is fixed at an attractive level by Government action, this provides a powerful and cumulative stimulus for farm-

ers to produce more than they otherwise would. We have been providing this stimulus continually since the end of World War II, during a period in which a realistic policy would have suggested a reduction of incentives to overproduction.

The second thing that happens when Government holds the price at a high, fixed level is that domestic consumption is reduced below the level at which it would otherwise be. Demand is not constant. It varies with price. A price which is held higher than would prevail in a free market assuredly and inevitably reduces domestic consumption below what it would otherwise be. In some instances a substitute product is in effect guaranteed a growing market by our program, as has happened to a considerable extent and is still happening so far as the substitution of rayon for cotton is concerned.

The third thing that happens is that we lose exports markets. We provide a mechanism whereby every other producing country can and does take our export markets. The United States becomes the residual supplier.

The fourth thing that happens when we hold prices at a fixed level is that we encourage production in other countries. We have been holding an umbrella over producers of wheat and cotton in other countries. They have responded in the most natural way in the world, by tremendous increases in foreign production. The world is using more cotton than at any time in history. But it is not American cotton. American cotton is rapidly fading out of the world cotton market.

Put these four things together—artificial incentives to production in this country, stimulus to production in other countries, a reduction in domestic markets, and a loss of foreign markets—and what do you get? Surpluses, of course. It is not accidental that the big surpluses in this country are all of commodities for which 90-percent price supports have been provided without regard to supply-demand relationships.

The creation of surpluses as a result of price policy must be followed by production controls. Otherwise our surpluses would be far larger than they are.

These production controls reduce farm incomes for a number of reasons, among which two are of major consequence:

First, farm incomes are reduced because farmers must plant fewer acres of controlled crops. They are denied the opportunity of producing and selling to markets they might have retained but which have been lost.

Second, acreage diverted from controlled commodities does not remain idle. It goes into the production of other commodities—vegetables, beans, flax, soybeans, barley, grain sorghums, oats, and others—and indirectly into all livestock products. The prices and incomes of farmers producing these commodities are adversely affected by the acreage diverted from production of controlled commodities.

This is where we are today. This is the fruit of unwise national policy. The

economic consequences of our mistakes of the past have caught up with us.

I do not believe we are going to help the farmer by giving him another dose of the medicine that has made him sick.

Reinstitution of 90-percent price supports is not the answer. It is not even a little piece of the answer. This is a sure-fire formula to insure that the problem will be bigger and more critical next year and the year after that.

I submit that it is time we began some down-to-earth economic thinking about the character of this problem, about its economic causes and the long-run implications and consequences of what we may do. I hope we will vote in favor of striking 90-percent price supports from the bill.

Mr. President, let me say that we have been dealing with this problem year after year. In 1947, after a long study, the Department of Agriculture got together with all the great farm organizations, the economists of the schools, and Members of Congress who deal with this subject, and discussed all aspects of it very thoroughly. We decided that we needed very quickly to shape a program of flexible or variable price supports, or we would be in very serious trouble when World War II ended. It involved not only a transition to flexible price supports, but also a modernized parity.

That recommendation was given to Congress in 1947. The House committee at least traveled around the United States and held meetings with farmers. The farm organizations approved it. All four great farm organizations endorsed it in its original presentation.

Then what happened? We came to Congress in 1948. I was happy to submit to the President of the United States the message which with some of his additions and editing, he finally sent to Congress. We asked for the passage of that type of bill. It was a Republican-controlled Congress. The request came from a Democratic President. It was not a partisan issue. The Senate of the United States passed the Aiken bill which would have given a realistic support to the agricultural commodities of this country.

Senators who are Members of the Senate today voted for that bill. Some of them subsequently changed their position. They did so not because they changed their convictions, but because conditions forced them to a different view. That is not the fault of the program. I wish it had been administered the way it should have been administered. Instead, we patched it for 1 year. Then we patched it for another year. Then we patched it for 2 years. We have been patching and patching and patching it. All that time, during those years, the income of the American farmer has gone steadily downward.

I hope that finally we will come to the point where we will not continue to bicker over a farm program every year, and that we will adopt the amendment to strike that section from the bill.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. Is the Senator from Louisiana acting as majority leader?

Mr. ELLENDER. I am.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 10 minutes.

Mr. ELLENDER. Mr. President, I have before me a copy of the Department of Agriculture's latest report on farm income. This study, which was issued on March 6, documents the drastic decline in farm prices to which our farmers have been subjected for the past 5 years. It states:

Farmers realized net income in 1955 is now estimated at \$10.8 billion, down a billion dollars or 9 percent from 1954. The decline was due to lower average prices of farm products, accompanied by a slight increase in farm expenses.

Per capita farm income has declined 6 percent since 1954, Mr. President; the per capita income of our farm population now stands at \$860 per year; the comparable income of nonfarm workers is \$1,922.

In addition, this report shows that farmers retained as net income last year, only 32½ percent of their realized gross farm income. Except for 1932, Mr. President, this is the smallest percentage on record.

Mr. President, how low must the economic status of our farmers drop before they receive relief? By the Department of Agriculture's own admission, our farm economy is now depressed to the levels prevailing in the 1930's. Even as other segments of our population enjoy a booming prosperity, even as our gross national product reaches new levels, even as consumer incomes and consumer prices continue to rise, the farmer finds himself squeezed, beaten and bludgeoned by falling farm prices and increasing operating expenses.

I urge Senators to join with us in assuring our farmers at least a semblance of economic health during the 2-year period which must elapse before the beneficial effects of the soil bank can reach down to the grassroots of our agricultural economy. I am convinced, Mr. President, that there is not a Senator in this Chamber who does not desire to be of assistance to our farmers. Our differences are not founded on inability to agree on the objective we desire, but rather, on the methods that should be used to achieve that objective.

Mr. President, let me lay at rest some of the objections raised to the 90 percent of parity provisions of this bill during the recent debate.

First, 90 percent of parity price supports for the 5 basics, as outlined in the pending bill, will not stimulate production. Whether supports are set at 75 percent of parity or 90 percent of parity, the Secretary of Agriculture, under the law, must control production to the same extent and in the same manner. With our present burdensome carryovers of the basic farm commodities, these controls will be imposed for at least 2 more years—1956 and 1957. As long as these controls are in effect—and there is every reason to believe that they will be continued for the duration of the 2-year period during which 90 percent of parity price supports are contemplated in the pending bill—there

can be no additional acreages planted to these supported crops. Thus, there can be and will be no additional production attributable to higher support levels. All statements to the contrary have no basis in fact, Mr. President.

The sole effect of 90 percent of parity price supports in this bill will be to increase farm income now, immediately, and keep farm income at bare subsistence levels until such time as the soil-bank provisions have an opportunity to come into full operation. Let us be realistic, Mr. President. Even if the soil bank is effective during this crop year, it will not begin to make a dent in our surpluses of the basic commodities. Its immediate effect on farm prices will be slight. It will be 2 years, at least, until the full effect of the soil bank is felt, and until its operation is reflected in higher farm prices. Ninety percent of parity price supports in this bill, to be effective for only 2 years, are designed to bridge that gap. Unless the Senate wants to invite further decreases in farm income during the transition period before the soil bank becomes effective—unless the Senate wants to push farmers further along the road to bankruptcy—the 90-percent-of-parity provision of this bill is a must. Mr. President, I do not believe we should gamble with the livelihood of our farmers. I have already demonstrated the extent to which falling farm prices have brought our agriculture to the brink of disaster. If the Senate desires now to push our small farmers over the brink and into bankruptcy, then here is the opportunity. All Senators have to do is vote against this 90-percent-of-parity provision and the deed will have been done.

On the other hand, Mr. President, a vote in favor of this provision would permit an immediate increase in farm income from the basic crops alone of over \$800 million. Wheat producers could look forward this year to an increase in their income of \$322 million; cotton could receive an additional \$300 million; corn, an estimated \$139 million; and peanuts, \$34 million. Rice farmers, should price supports on the full crop be restored to 90 percent of parity, could receive an additional \$34 million.

This total increase in farm income of \$829 million would not even bring our farm families up to the same levels of income they were receiving only a year ago—but the additional income would help. We can here and now halt the decline in agricultural income and start our farm economy back toward its rightful share of the national income. These farm problems are so severe, Mr. President—the plight of our small farmers is so pressing—that to deny this relief would be, in my opinion, compounding an economic felony.

I know the arguments advanced by the Secretary of Agriculture; I am familiar with his timeworn, ragged, discredited economic theories. Mr. Benson is dead wrong; he has been wrong, and he will continue to be wrong. I do not deny the Secretary of Agriculture the right to be wrong, his privilege to be mule-stubborn, but I do believe, most fervently, that we cannot afford to let the stub-

bornness of one man continue to drive our small farmers toward economic oblivion.

Mr. President, flexible price supports do not bring relief, they bring disaster. It follows as the day the night, that lower prices result in lower farm income. They do not reduce the carryover, because they do not lower production, as the facts well show. Farmers are going to plant their full acreage allotments even if their support prices fall to the very bottom of the Benson sliding scale—to 75 percent of parity. The record so shows, Mr. President. Wheat farmers did not underplant their acreage allotments as their support price dropped, neither did rice nor corn farmers.

Higher support prices, designed to bring higher prices for the products farmers can grow on their acreage allotments, will not hurt the soil bank. Under the terms of the bill now before us the Secretary of Agriculture is given full authority to fix the level of payments for acreage reserve participation, at whatever amounts may be required to offer farmers an incentive to place their allotted acres in the acreage reserve. There is no basis whatsoever to the claim that 90 percent of parity price supports will drive farmers away from soil-bank participation.

Mr. President, this 90 percent of parity provision of the bill, this meager increase in farm income for years 1956 and 1957 which our farmers so urgently need, and which they most assuredly deserve, is not a windfall. It is an urgent necessity. It is something that we must have if our farm economy is to avoid complete depression; increased farm income is a national necessity if the economic paralysis brought about by flexible price supports is to be kept from infecting our total economy.

I urge the Senate to vote for this provision. Let us not be misled by the unfounded rantings of our Secretary of Agriculture. We need remember only two things:

First, this provision, this 2-year return to 90 percent of parity, cannot and will not increase production. It will only increase farm income by up to \$829 million per year.

Second, this provision will not frustrate the soil bank. It will only give our farm economy a quick, sure, shot in the arm until the time when the soil bank has become fully effective.

We have our choice, Mr. President. I ask Senators to vote for economic solvency for our farmers and against agricultural paralysis.

Mr. KERR. Mr. President, will the Senator from Louisiana yield?

Mr. HOLLAND. Mr. President, the distinguished Senator from New Mexico asked me to control the time in his absence. I yield 5 minutes to the distinguished senior Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I wonder if some other Senator would like to speak at this time. I should prefer to delay my remarks.

Mr. HOLLAND. The Senator from New Mexico has now entered the Chamber, and I turn the question over to him.

Mr. ANDERSON. Mr. President, I yield 10 minutes to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I strongly hope that the amendment will be adopted. Without its adoption the bill will become the most inconsistent measure ever to be passed on the floor of the Senate, because it will put us in the position of adopting a long and expensive program for basic commodities in an effort to reduce surpluses, and, at the same time, restore the greatest inducement and incentive for the creation of surpluses which we have had in times past. To place us in that position, it seems to me, would be intolerable, unwise, and would leave the Senate and the Congress in the position of passing a bill with its tongue in its cheek, proclaiming that we were trying to reduce the surpluses and, at the same time, adopting a program which, above all others, had created, and would continue to create, surpluses.

Mr. President, particularly do I object to the rigid 90 percent of parity price-support provisions of this measure, in its application to 2 basic crops—cotton and corn—and this amendment would strike out that provision.

In the case of cotton, the two Members of the Senate who know most about the cotton industry are the distinguished Senator from New Mexico [Mr. ANDERSON] and the distinguished Senator from Mississippi [Mr. EASTLAND]. Senators will recall that the Senator from Mississippi has not always taken the position on farm measures which he now assumes. But he takes it now after mature reflection and deliberation, because he has seen how the cotton industry has deliberately been committing suicide by making itself a party to such high price supports that it has banned itself from customary and traditional participation in foreign markets, and it has likewise brought great impetus to the production of synthetics, which constitute the next largest competition our domestic cotton production has to meet.

In the position so ably taken by the two Senators I have mentioned they are backed, I believe, by every constructive group of any size in the cotton industry. I know of nothing to the contrary in that regard.

What a ridiculous thing it would be for us, as we endeavor through the soil bank and other measures to aid that great industry, which is so nearly prostrate, to include in the bill a provision to restore 90 percent of parity price supports, under which the cotton industry has come to the surplus position, to the depressed position, to the distressed position which it now occupies. It simply would not make good sense.

The next industry I mention which will be affected with particularly disastrous results, unless the amendment shall be adopted, is the corn industry. That is our largest grain industry. It is the industry upon which the livestock and meat industries peculiarly base their economies. The corn industry is the most widespread among the grain industries. Every Senator knows that the 90-percent price support provision applied

to corn under the old law; and unless the amendment shall be adopted, the same program will be restored, and the corn fiasco will be renewed. What was that fiasco? It was the imposition of allotments from year to year which were not compulsory, which did not have to be accepted by the corn producers unless they wanted to accept them.

Those of us who serve on the committee, as we went out into the Corn Belt, heard not from one witness but from many witnesses this sort of disastrous story, to which I ask Senators to listen. Yes; they had accepted their particular allotment of acreage, because they knew that would give them the right to seal their corn and eventually to sell it to the Government at the high rigid price support figure. They did so, knowing they could have an ample supply of corn at a much lower price than they were sealing their production for, from their neighbors who were not staying within their own allotments, and were, instead, raising all the corn their land could produce, and were selling the corn at something like \$1 or \$1.05 a bushel.

To me it was amazing that good Americans should confess to us, admit to us, that they were doing just that—accepting an allotment for themselves in order to raise corn to sell to Uncle Sam, with the full knowledge that they could buy all the corn they needed, and more, from their neighbors, who had not accepted their allotments, who produced corn, and who sold it much more cheaply, so that it would be available for all the consumer uses of the farmers who accepted allotments.

Mr. President, if that be commonsense, then I have not the slightest conception of the meaning of that term. Unless the amendment shall be adopted, in those two industries—and here I cease to mention particular industries—there will be renewed and extended the program which has contributed most to the disaster and the debacle we have seen in the past. Instead of bringing relief, renewed disaster will be brought to the two great industries of cotton and corn.

There is something else I wish to mention, and that is the wholesome public opinion in connection with this matter. I want Senators to understand that the public, for once, understands that what is sought to be done is to run at full speed in opposite directions at the same time. The public understands that with perfect clarity. I have with me editorials from several Florida papers. Florida is a little bit removed from this picture, so the editors of those papers can look at the matter with some degree of clarity and objectivity, and with better perspective, perhaps, than some others could. Three or four of the editorials, I think, give a pretty clear picture of what the people, some of them in agricultural areas—and all of these newspapers are published in agricultural areas—think about the pending bill.

First, I wish to quote from the Miami Herald of February 22, 1956. I ask unanimous consent that the entire editorial may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WE CAN'T BLAME EZRA IF HE DOES

Reports out of Washington show a strange alliance of Republicans and Democrats shaping up to support an even stranger compromise farm bill.

The Republicans are said to be willing to accept a Democratic proposal to return to 90 percent parity payments for certain farm products if the Democrats will accept the administration's soil-bank conservation plan.

The soil bank, of course, was conceived with the idea of reducing farm surpluses by taking millions of acres out of production.

But the effect of 90-percent parity payments will be to put back in the granaries the very crops which the soil bank is trying to reduce.

It would be an amusing contradiction if it weren't so tragic and costly to taxpayers.

No wonder Secretary of Agriculture Ezra Benson has thrown up his hands and is considering resigning if this sample of election-year follies comes to pass.

Mr. HOLLAND. Mr. President, I quote from the editorial as follows:

The soil bank, of course, was conceived with the idea of reducing farm surpluses by taking millions of acres out of production.

But the effect of 90-percent parity payments will be to put back in the granaries the very crops which the soil bank is trying to reduce.

It would be an amusing contradiction if it weren't so tragic and costly to taxpayers.

Mr. President, not only would it be tragic and costly to taxpayers, but also to farmers, in particular. I cannot repeat the arguments I made last night, but I found in those areas of the country where there has been the greatest depression, where there has been the greatest debacle from the use of the 90-percent price-support program, that farmers are being destroyed in the sanity of their thinking and are being reduced to the bringing forth of projects and ideas which are not at all a credit to them or a credit to the conservatism and soundness of agricultural thinking as it has always existed in this Nation.

Mr. President, I shall next read from an editorial published in the Tampa Morning Tribune of February 29, 1956. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INVITATION TO A VETO

President Eisenhower once again has given firm notice that there will be no retreating from his sound position on farm policy.

Republican congressional leaders, emerging from a weekly legislative conference at the White House yesterday which was mainly devoted to the farm bill, said flatly that Mr. Eisenhower "has not changed his position" against rigid, 90 percent of parity farm price supports. The farm bill now being debated in the Senate calls for a return to the high-level, mandatory supports tied in with the administration's soil-bank plan.

Some Senators have been saying the President wouldn't dare veto the bill, implying he is so eager to get the soil-bank program into operation he would swallow the unpalatable, rigid price-prop system. In view of yesterday's reaffirmation, however, they will be wise not to gamble on it.

They should realize from his action on the natural gas bill that Mr. Eisenhower takes his veto powers seriously. The plain fact is that, from a strictly economic standpoint, there would be more justification for a veto of a farm bill providing for 90-percent supports than there was for vetoing the natural-gas bill. For a soil-bank program loaded with a high-level, fixed-support plan would be a self-contradiction.

The reason is perfectly obvious. The whole idea of the soil bank is to get farmers to "deposit" part of their cropland in a "bank"—to withdraw it from cultivation—and thus not only reduce present surpluses but also prevent new surpluses. But this purpose would be defeated should the Nation return to the rigid support system that created the present scandalous situation in which the Government has more than \$8 billion invested in surplus farm commodities.

There is no doubt what would happen if rigid price supports were reimposed. Encouraged by the prospect of guaranteed prices at 90 percent of parity, farmers would pour on the fertilizer and add enough new production to offset reductions made possible by soil-bank deposits. Indeed, it is conceivable that soil-bank payments might be used to pay for the fertilizer.

It is most heartening that President Eisenhower has made it crystal clear he will not be a party to any such insane and inconsistent scheme. Although there has been no official statement that he will veto the farm bill if it should reach him calling for abandonment of the administration's flexible price-support system, there would be every reason to do it.

We recognize that some Democratic congressional leaders who are plugging for 90 percent supports have a political interest in passing a bill the President most likely would veto. They should set their sights higher, even if this is an election year.

The interest to which their attention ought to be devoted is how they can best serve the Nation in general and the farmer in particular. Since passage of the soil-bank bill is urgent if it is to become applicable to this year's crop, they can render the best service and, at the same time, make a record they can carry into the election campaigns, by separating the fixed price supports provision from the soil-bank program.

Mr. HOLLAND. Mr. President, the Miami Herald is one of the greatest newspapers in the southeastern part of Florida in point of circulation. The Tampa Morning Tribune is a prominent newspaper published on the gulf coast of my State. I read only this part of the editorial from the Tampa Morning Tribune:

There is no doubt what would happen if rigid price supports were reimposed. Encouraged by the prospect of guaranteed prices at 90 percent of parity, farmers would pour on the fertilizer and add enough new production to offset reductions made possible by soil-bank deposits.

Mr. President, listen to this. This is what a newspaper standing off on the sidelines, and which has often gone to great lengths to show its appreciation of and sympathy for agriculture, says on this point:

Indeed, it is conceivable that soil-bank payments might be used to pay for the fertilizer.

Mr. President, that is the comment of an observer who is watching the agricultural gyrations in the farm bill.

The next editorial from which I wish to quote is an editorial published in the Pensacola Journal of February 13, 1956.

Pensacola is in the western part of Florida, in a section of the State where basic crops are produced. I shall not read the entire editorial, but I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INCONSISTENT FARM BILL PUTS ISSUE IN POLITICS

For once full approval may be voiced with Agriculture Secretary Benson's lashing out at the farm bill approved by the Senate Agriculture Committee. It is, as he said, undeniably "inconsistent" and emphatically would create a new surplus problem after solving the present one. Worse than that, it is the most abject attempt at politics.

The bill combines the President's soil bank plan with high, rigid price supports which he contends, correctly, would nullify it. For example, committee members voted 8 to 7 to support wheat, cotton, corn, rice, and peanuts at 90 percent of parity. That is ridiculous. It presents the farm bill as a boat which, through opposing efforts of port and starboard rowers, is going around in crazy circles.

While on one hand the soil bank plan would cut down on production of surplus stocks, a return to high, rigid price supports would spur production anew. That is so obvious as to be completely elementary even to a kindergarten debutante.

According to Senator ELLENDER, Democrat, of Louisiana, chairman of the committee, "We will have strong support from some farm belt Republicans." No doubt they will, especially on the vote to allow farmers to use the higher of either an old parity system or a new one in determining the level of Government price supports. As Benson pointed out, wheat price supports at 90 percent of the old parity would be equivalent to 103 percent of the modernized formula which became the basis for setting price supports this year. Who wouldn't bite at that one?

Despite every warning, the farm problem has been dragged into politics. It remains to be seen now whether the President will make use of his veto powers or whether he will allow the issue to go by default as appears probable with the controversial natural-gas bill.

Mr. HOLLAND. Mr. President, I shall not read the entire editorial, but only a part of it. After stating the purpose of the bill, the editor uses these words:

That is ridiculous. It presents the farm bill as a boat which, through opposing efforts of port and starboard rowers, is going around in crazy circles.

Mr. President, that is a careful, intelligent appraisal of the meaning of the bill—unless this provision shall be stricken out—by a newspaper which has always been noted for its friendship to agriculture, which is published in a part of our State where basic farming is carried on.

The last of the editorials from which I shall read is in the Tampa Morning Tribune of February 11, 1956. I ask unanimous consent that the entire editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A TRICK THAT WON'T WORK

If you want a prime example of an attempt to turn the clock in both directions

at the same time, take a good look at the election year farm bill approved by the Senate Agriculture Committee.

Committee members, in one desirable move, adopted the soil-bank plan proposed by the administration. The plan is designed to bring the output of basic farm crops down to a better balance with needs by persuading farmers through a new form of Government handouts to take part of their land out of competitive production.

But, by an 8-7, a majority of committee members turned in exactly the opposite direction and approved the restoration of mandatory price supports pegged at 90 percent of parity.

These rigid supports, too long continued after the war, encouraged overproduction. They led farmers to plant wheat, cotton, corn, and other basic crops, not for the market, but for the Government. The result is out in the open for everyone to see—urban voters as well as those living on farms.

The Government now has some \$8 billion tied up in surplus-farm commodities. The Department of Agriculture has been forced to rent ships in which to keep wheat, for example, because grain elevators and other storage bins are filled to overflowing. The tremendous oversupply forced down prices.

These high, mandatory price supports were dropped by Congress in 1954 at the urging of the administration and replaced by a program of flexible supports keyed to supply.

The flexible program, it is true, did not arrest a decline in farm prices. Perhaps too much store was laid upon the system as a short-term measure. It takes time to dispose of surpluses and check overproduction. But just at a time when there were many indications that a start toward needed adjustments had been made, howls arose from the farm belt that agricultural income was sharply declining while the rest of the economy was booming.

So now a majority of the Senate committee seeks to exploit the situation by offering an absurd bill which, on one hand, suggests that farmers should decrease production and, on the other, would encourage them to pile up additional surpluses—and troubles—for the entire Nation as well as the farmers.

In a letter the other day to Senator AIKEN, Republican of Vermont, President Eisenhower said it would be "inconsistent to enact a soil-bank program and, at the same time, reestablish production incentives that would again fill Government warehouses, again depress prices, and thus defeat the main object of the soil bank."

"Inconsistent" is a pretty fair word to describe any such action. "Delirious" is a far better one.

We realize there are political implications in the move to restore 90 percent of parity price supports. Many Democrats in Congress are hoping to harvest a crop of votes by saying to farmers, "See, we're trying to guarantee prosperity for you. Give us your votes." Those Democrats are joined by a number of farm-bloc Republicans who fear defeat unless they promise as much.

But President Eisenhower, we're pleased to note, recognizes that a high support system is wrong economically. He also realizes it will guarantee, not prosperity, but that in time the Government will be compelled to nationalize farming, at least to the extent of applying rigid compulsions on the farmer's actions. Moreover, there are indications that if Congress finally approves a bill coupling the soil-bank plan with a return to a rigid support system, it will run into a Presidential veto.

The President's stand is sound and courageous. He won't be a party to political illusion. Unlike some politicians in Congress, he knows that trying to turn the clock in both directions is an unworkable trick

which even magicians would not care to attempt.

Mr. HOLLAND. Mr. President, the editorial reads, in part:

In a letter the other day to Senator AIKEN, Republican of Vermont, President Eisenhower said it would be "inconsistent to enact a soil-bank program and, at the same time, reestablish production incentives that would again fill Government warehouses, again depress prices, and thus defeat the main object of the soil bank."

"Inconsistent" is a pretty fair word to describe any such action. "Delirious" is a far better one.

These are but a few of the many comments of observers expressing the point of view of the general public in important sections of Florida. They can be duplicated by hundreds of observations from other parts of my State and the Nation, with reference to the wholly inconsistent, the wholly extravagant, and the wholly meaningless provisions of the bill which, on the one hand, would say we are going to cut down the production of surpluses by the magnificent soil bank effort, and, on the other hand, would say we are going to have our fingers crossed for 2 years while we replenish the surpluses by restoring 90 percent of parity. Mr. President, that simply does not make sense.

I ask the Senate to adopt the amendment offered by the distinguished Senator from New Mexico, an amendment of which I am a cosponsor, in the hope that we can bring the bill back to sanity and enact it in such a way that it will move in 1 direction, instead of in 2 different directions at the same time.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I yield 12 minutes to my friend, the Senator from South Dakota.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from South Dakota is recognized for 12 minutes.

Mr. MUNDT. Mr. President, I rise in opposition to the amendment sponsored by the Senator from New Mexico, the Senator from Florida, and other Senators associated with them in their amendment which would knock out 90-percent price supports for our basic crops.

I should like to say, first of all, it seems to me at this stage of the game we should be able to get down to some pretty logical principles and bases of understanding. We have had a tremendous amount of verbiage for a long time concerning this bill. We have had hearings. We have had charts, tables, and statistics.

It seems to me certain things stand out almost irrefutably at this stage of the game. The first is that we have tremendous agricultural surpluses in the country, which have made it impossible, by the ordinary operation of economic laws, to provide the farmer with the fair share of the national income, to which he is entitled.

We differ as to why the surpluses were created, but, basically and fundamentally, we must realize that the surpluses were connected with the war and the peace that followed the war, and one way or another, and in many ways, war stimulated the demand for farm prod-

ucts, and peace reduced the demand for farm products. Since millions of farmers had to act individually and arrive at their own individual analysis, they did not have the capacity to curtail peacetime production to meet the economic needs, such as would be possible in the field of industry, where a board of directors could meet and decide to hold down production and reduce the amount of goods going into the economy.

So we have a problem, created not by farmers, created not by act of Congress, but created by the fact that we were involved in war and, luckily, we achieved an unexpectedly early peace. This is one of the great reconstructive peacetime problems we have to solve.

I think two other things stand out. For a while we had in this country programs for high, rigid, or inflexible price supports. I have supported such programs. As a supporter of such a program, I am prepared to say they did not solve the farm problem. Had they solved the farm problem, we would not be wrestling with the situation today. They did not solve the problem because imbedded in the legislation which provided for inflexible, rigid, high supports was a formula which required reduction of acreage when there was a visible surplus at hand.

While we continued to hold price supports at fairly high levels under rigid supports, we continued to receive reductions of acreage. When the two are added together, we see why the farmer could not make both ends meet.

Much has been said about flexible price supports. The Senator from New Mexico, when he was Secretary of Agriculture, was one of the fathers of that idea. He believed in it. Secretary Brannan came along, in the series of Secretaries of Agriculture who followed, and he believed in flexible price supports and advocated them to Congress. Some great farm organizations have supported them; others opposed them. But I am prepared to say from the record that flexible price supports have also failed. Just as rigid price supports, of and by themselves, did not solve the farm problem, neither did the so-called flexible price supports. They failed because imbedded in the same basic piece of legislation is a requirement for reduction of acreage at high price supports and also at lower price supports, if a determination is made on the basis of visible supply that surpluses are in existence. Obviously, when farmers need more money, they are not going to be helped by providing for flexible price supports on a basis that gives them less money per unit for the products they produce than would be available to them under the terms of our committee bill.

So we come to the basic argument of the Senator from Florida and the Senator from New Mexico. They contend we would be going in the two directions at the same time if there is retained in the same bill a provision for a soil bank and high price supports. Our opponents contend they will work against each other.

I believe those generalizations are fallacious.

I believe the intriguing phrasemaking of the swivel-chair farmers who sit at editorial desks in Florida, and turn out this sort of mumbo-jumbo procedure, are sincere, but they are entirely ignorant of the general agricultural problems of the country. I think they are looking at this situation from the point of view of fruit and vegetable production in Florida and assuming that what is true in Florida is true elsewhere. It is not true in the Middle West. It is not true in the Deep South. It is not true in many different sections of the country. Farmers today in many areas of the country need higher prices and expanded margins of net income.

Let us analyze the argument. Is there any validity to be found in the statement that a soil bank and price supports work against each other? I cannot find a scintilla of basis or evidence in that prevailing argument, which continues to be presented by those opposing 90-percent price supports.

Let me point out that the evidence is abundant that the annual production of farm products in this country is tied to a great many other factors other than the price level for the products.

Mr. President, I ask unanimous consent to have printed as a part of my remarks a series of charts which point out that there is no real, stable relationship whatsoever between the total annual production of wheat, corn, oats, and barley, and the particular price level that may obtain.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Does the level of price have a significant effect on total planted acreage? That is the contention of those favoring flexible price supports. If the contention is unfounded this mistake will force many of our farmers out of business.

Wheat: Planted acreage and price received by farmers, United States

Crop years	Average planted acreage (thousand acres)	Average price received by farmers
1930-35.....	67,373	\$0.641
1930-41.....	68,959	.727
1942-46.....	65,709	1.59

Source: Agricultural Marketing Service.

Corn: Planted acreage and price received by farmers, United States

Crop years	Average planted acreage (thousand acres)	Average price received by farmers
1930-35.....	106,112	\$0.536
1930-41.....	99,787	.601
1942-46.....	90,306	1.353

Source: Agricultural Marketing Service.

Barley: Planted acreage and price received by farmers, United States

Crop years	Average planted acreage (thousand acres)	Average price received by farmers
1930-35.....	13,689	\$0.409
1930-41.....	13,889	.457
1942-46.....	14,451	1.121

Source: Agricultural Marketing Service.

Oats: Planted acreage and price received by farmers, United States

Crop years	Average planted acreage (thousand acres)	Average price received by farmers
1930-35.....	43,415	\$0.365
1930-41.....	41,749	.350
1942-46.....	44,204	.741

Source: Agricultural Marketing Service.

SUMMATION

Wheat and corn: Total planted acres lower during years of high prices.

Oats and barley: Total planted acres somewhat higher during periods of higher prices.

Point: What does it prove? Nothing. Farm statistics do not support theories that a cause-and-effect relationship exists in connection with the planting habits of farmers and the price which they receive for their farm product.

There is even doubt on the part of those who propose that flexible price supports be retained that you can induce farmers to curb production by lowering prices.

This fact was brought home to members of the Committee on Agriculture and Forestry last autumn when that committee took to the field for hearings. A farm leader; an active and intelligent farmer; who came before our committee proposing that flexible-price supports be allowed to continue in effect confessed that insofar as his own farming operations were concerned that he planted every acre of his farm he could—regardless of price—and went on to opine that nearly all farmers do the same thing.

Thus it cannot be said that lower price supports will have an appreciable effect on the accumulation of surpluses by Commodity Credit Corporation. The only sure and certain result is lower income to farmers.

Wheat: Acreage allotment and price reduction

Year	Acreage allotment (acres)	Support price	Percent support	Parity
1954.....	62,000,000	\$2.24	90	2.49
1955.....	55,000,000	2.08	87½	2.52
1956.....	55,000,000	1.81	76	2.38

¹ Transitional parity.

Source: Commodity Stabilization Service, U. S. Department of Agriculture.

A system of flexible-price supports coupled with severe acreage reductions signal failure to many of our Nation's farmers; especially young veteran farmers who entered the business after the close of World War II.

Corn: Acreage allotment and price reduction
(In millions)

Year	Acreage allotment (acres)	Planted acreage commercial area (acres)	Total planted acreage (acres)	Support	
1954.....	46.9	56.9	82.4	1.62	90
1955.....	49.8	56.0	81.6	1.58	87
1956.....	43.3	² 56.0	² 81.5	1.40	81

¹ Transitional parity.

² Estimated.

Source: Commodity Stabilization Service, U. S. Department of Agriculture.

In 1953 wheat farmers planted 78 million acres. The next year under acreage allotments they were restricted to 62 million acres and during the past 2 years to an allotment of 55 million acres. At the same time supports were dropped from \$2.24 per

bushel to the announced support price for 1956 of \$1.81 per bushel.

The situation with regard to corn is the same except for the fact that farmers have not been required to abide by acreage allotments, although the support price for corn has shown a drop from \$1.62 to \$1.40 per bushel.

Mr. MUNDT. Mr. President, there is another reason why their argument falls when they tell us the soil bank and 90-percent price supports will not work well together. Actually from the standpoint of farmers deciding whether to enter the soil bank, it does not make much difference, from the standpoint of whether the farmer is going to go into the soil bank, whether the price of his product is supported at this level or some other level. The basic law provides that, as an incentive to induce the farmer to go into the soil bank, he shall receive slightly more in net income than he would have received had he cropped his land and sold his products.

We should all remember that the soil bank payment is tied to price supports.

So, for the sake of argument, for the sake of showing whether or not the two programs will work consistently together, it does not make any great difference whether the farmer gets \$1 for a certain product or, assuming this price for the sake of argument, 50 cents for a certain product. Either way, to induce the farmer to go into the soil bank, the Government will have to give him in net returns more than he would have received, whether he would have sold his product for a dollar, under a program of high-price supports, or for 50 cents, which might be the price under a flexible price-support level. The inducement is there just the same. The soil bank can work as effectively with high-price supports as it can with flexible price supports.

So all our friends contrive to do if they succeed in reducing the price levels is to reduce the prices farmers will receive for that portion of the land which they actually do crop. It has nothing to do with the totality of production. It has nothing to do with how much they are going to retire. They propose to induce the farmers to reduce the total amount of land available to them by paying more than they would have received as net income by producing on the land. We propose the same.

On this side of the argument, we also propose to pay them for the crops they do raise a price high enough to enable them to solve their problems and meet the costs caused by the present price squeeze.

There is the difference.

There is no basis for saying the two cannot operate together. As a matter of fact, I believe, and I have as much right to my hypothesis as they have to theirs, because we are both taking a look into the future, I believe with high-price supports there would be wider participation in the soil bank than there would be with the low-price supports that our opponents advocate.

I believe that for two reasons. In the first place, automatically, the farmer would receive more per acre for his retired acreage in the acreage reserve under high price supports than he would

receive under low price supports. Because we are a price tag conscious people, the fact that farmers would get a bigger average rental per acre under a high price support program I think would attract more of them to go into the program than if they were forced to take a lower price for the same acres.

In addition to that, if we make it possible for farmers to operate profitably by having high price supports on this basis, if we make it possible for them to operate profitably on the acreage they do farm, there will be more inducement for them to go into the soil bank and play the law of averages instead of trying to farm the whole land in the hope that they will hit the jackpot every year.

Without reasonably high prices for the products raised on the acres they do farm, we force farmers to overwork their total acres, in the hope that everything will be optimum—the right amount of rain, the proper temperature, a comparative lack of surpluses in the market, good prices, and that everything will work out—absence of insect and absence of plagues. Mr. President, a farmer is forced to resort to such tactics of desperation, when prices get too low. I have already referred to tables, which show dramatically that when prices are lower, the farmers produce from a larger or greater number of acres than they do when prices are higher. That is true because the cost of maintaining a family—including the cost of clothes and food and educating children—and also the cost of machinery and insurance and repairs, remain relatively constant. Those costs either are stable or they are increasing. So when the price per unit is reduced, ultimately the farmer is compelled to mine the soil and to contribute to the totality of the great surplus which plagues us and perplexes us as we try to find the solution to the farm problem.

In addition, Mr. President, other factors have contributed to our national surpluses. The farmer is not alone responsible for the current burdensome surpluses. They are partly the result of national wartime policies and objectives, and individual farmers invested heavily in machinery and other improvements to meet those objectives.

First. At the request of his Government the farmer increased his production of wheat to feed our wartime military services and our Allies.

Second. In 1948, the second highest wheat producing year—1,295,000,000 bushels—we exported 504 million bushels, a great portion of which went into foreign aid channels to allies and former enemies whose productive potential had suffered wartime damages.

Third. After 1948 the Government's need for wheat for foreign-aid programs decreased—1949, 299 million bushels—and domestic production tapered off.

Fourth. In June 1950, we became involved in the Korean war. Farmers were again asked to increase production to meet known domestic and foreign requirements and to provide additional

production for requirements which cannot be clearly anticipated in a war which at any time could have erupted into a global conflict. In 1951 our exports of wheat reached a post-World War II high

of 475 million bushels. Asked by the Government to increase production even further, wheat farmers planted 1,299,000,000 acres in 1952—318 million acres more than the previous year.

Wheat: Supply and disappearance, United States, 1935-55¹

[Million bushels]

Year beginning July	Supply				Disappearance							
	Carry-over	Production	Imports ²	Total	Used in United States					Exports ⁵	Shipments	Total
					Food ³	Seed	Industrial	Feed ⁴	Total			
1935.....	146	628	35	809	490	87	(⁶)	85	662	4	3	669
1936.....	140	630	35	805	492	96	(⁶)	101	689	10	3	702
1937.....	83	874	1	958	494	93	(⁶)	115	702	100	3	805
1938.....	153	920	(⁶)	1,073	497	74	(⁶)	142	713	107	3	823
1939.....	250	741	1	992	488	73	(⁶)	102	663	45	4	712
1940.....	250	815	3	1,068	489	74	(⁶)	112	675	34	4	713
1941.....	385	942	4	1,331	487	62	2	117	668	28	4	700
1942.....	631	969	1	1,601	523	65	54	306	948	28	6	982
1943.....	619	844	136	1,599	533	77	108	518	1,236	43	3	1,282
1944.....	317	1,060	42	1,419	533	80	83	296	992	144	4	1,140
1945.....	279	1,108	2	1,389	494	82	21	297	894	391	4	1,289
1946.....	100	1,152	(⁶)	1,252	504	87	(⁶)	176	767	397	4	1,168
1947.....	84	1,359	(⁶)	1,443	484	91	1	181	757	486	4	1,247
1948.....	196	1,295	1	1,492	477	95	(⁶)	105	677	504	4	1,185
1949.....	307	1,099	2	1,408	488	81	(⁶)	111	680	299	4	983
1950.....	425	1,019	12	1,456	489	87	(⁶)	114	690	366	4	1,060
1951.....	356	981	32	1,409	492	87	1	94	674	475	4	1,153
1952.....	266	1,299	21	1,576	485	88	(⁶)	119	692	318	4	1,014
1953.....	562	1,169	6	1,737	484	69	(⁶)	61	614	217	4	835
1954 ⁷	902	970	4	1,876	483	63	(⁶)	32	578	274	4	885
1955 ⁸	1,021	916	4	1,941	481	63	(⁶)	75	619	275	4	986

¹ Includes flour and other products in terms of wheat.

² Excludes imports of wheat for milling in bond and exports as flour.

³ Includes military food use at home and abroad.

⁴ This is the residual figure, after all other disappearance is accounted for. It has been assumed roughly to represent feed, but in 1953-54 the residual at 61 million was less than the 69 million represented as fed on farms where grown, and in 1954-55 the 32 million was below the 56 million represented as fed on farms where grown.

⁵ Actual exports, including exports for civilian feeding under the military supply program.

⁶ Less than 500,000 bushels.

⁷ Preliminary.

⁸ Tentative estimates.

⁹ October estimate.

Source: Agriculture Outlook Charts, November 1955, U. S. Department of Agriculture.

America can be proud it had the productive capacity to assume so much of the world's needs for food and fiber during troublesome times. But, how were the increased production goals accomplished? Not by mysterious mumbo-jumbo. Rather, by hard work and by increased capital expenditures for land and machinery. More units of production for each farmer became the national goal and the individual farmer's pledge.

In 1940 each farmer was producing food and fiber for 10.81 persons. By 1952 he was producing for over 13.

Persons supported by production of 1 farm-worker, United States, 1820-1954

Year	Persons supported per farm worker			Total farm employment	Total United States population July 1 ¹
	Total	At home	Abroad		
	Number	Number	Number	Millions	Millions
1820.....	4.12	3.84	0.28	2.4	9.6
1830.....	4.00	3.76	.24	3.3	12.9
1840.....	3.95	3.72	.23	4.4	17.1
1850.....	4.18	3.97	.21	5.7	23.3
1860.....	4.53	4.06	.47	7.3	31.5
1870.....	5.14	4.64	.50	8.0	39.9
1880.....	5.57	4.48	1.09	10.1	50.3
1890.....	5.77	4.69	1.08	11.7	63.1
1900.....	6.95	5.23	1.72	12.8	76.1
1910.....	7.07	6.05	1.02	13.6	92.4
1920.....	8.27	6.84	1.43	13.4	106.5
1930.....	9.75	8.77	.98	12.5	123.1

Footnote at end of table.

Persons supported by production of 1 farm-worker, United States, 1820-1954—Con.

Year	Persons supported per farm worker			Total farm employment	Total United States population July 1 ¹
	Total	At home	Abroad		
	Number	Number	Number	Millions	Millions
1940.....	10.81	10.45	.36	11.0	132.1
1941.....	12.09	11.10	.99	10.7	133.4
1942.....	12.96	11.80	1.16	10.5	134.9
1943.....	13.54	12.09	1.45	10.4	136.7
1944.....	13.98	12.62	1.36	10.2	138.4
1945.....	14.69	12.87	1.82	10.0	139.9
1946.....	14.28	12.36	1.92	10.3	141.4
1947.....	14.13	12.61	1.52	10.4	144.1
1948.....	14.52	12.83	1.69	10.4	146.6
1949.....	14.91	13.42	1.49	10.0	149.2
1950.....	15.49	13.70	1.79	9.3	151.7
1951.....	16.81	14.93	1.88	9.0	154.4
1952.....	17.32	15.88	1.44	8.7	157.0
1953.....	17.82	16.34	1.48	8.6	159.7
1954.....	18.53	16.81	1.72	8.5	162.4

¹ Includes persons in our military forces in this country and abroad. Data published currently in *Changes in Farm Production and Efficiency (ARS)*.

The farmer had to increase his use of machinery to meet production requirements. In 1949 farmers had 1.5 million tractors in use; by 1953, 4.4 million. The farmer increased his use of trucks from a little over a million in 1940 to 2.6 million in 1954. During the same period the use of grain combines grew from 190,000 to nearly a million and corn pickers from 110,000 to 660,000.

Specified machines on farms, United States, Jan. 1, 1940-55¹

[In thousands]

Year	Tractors (exclusive of steam)	Automobiles	Motor-trucks	Farms with milk- ing ma- chines	Grain combines	Corn pickers
1940.....	1,545	² 4,144	² 1,047	175	190	110
1941.....	1,675	4,330	1,095	210	225	120
1942.....	1,885	4,670	1,160	255	275	130
1943.....	2,100	4,350	1,280	275	320	138
1944.....	2,215	4,185	1,385	300	345	146
1945.....	² 2,422	² 4,148	² 1,490	² 365	² 375	168
1946.....	2,560	4,260	1,550	440	420	203
1947.....	2,735	4,350	1,700	525	465	236
1948.....	2,980	4,225	1,900	575	535	299
1949.....	3,315	4,290	2,065	610	620	372
1950.....	² 3,609	² 4,199	² 2,207	² 636	² 714	² 456
1951.....	3,940	4,280	2,310	655	810	522
1952.....	4,170	4,350	2,410	686	887	588
1953.....	4,400	4,400	2,550	715	918	615
1954.....	4,600	4,450	2,650	730	950	640
1955 ³	4,750	4,500	2,750	740	960	660

¹ Facts for Industry reports of the Bureau of the Census, annual registrations of motor vehicles, and results of surveys were used in developing estimates for years and machines not covered by census reports.

² Census of Agriculture. Census dates Jan. 1, 1945; Apr. 1, 1940, and 1950.

³ Preliminary.

Source: Data published currently in Changes in Farm Production and Efficiency (ARS).

In the period from 1940 to 1954 the average value of machinery per farm worker grew from \$229 to \$1,881.

Average real estate investment per farm worker during the same period went from \$2,461 to \$9,253.

Average value per worker of assets used in production¹

Year	Machinery	Real estate	Other	Total
1940.....	\$229	\$2,461	\$820	\$3,510
1941.....	273	2,614	911	3,798
1942.....	356	2,971	1,228	4,555
1943.....	447	3,370	1,667	5,484
1944.....	488	3,935	1,819	6,242
1945.....	558	4,531	1,878	6,967
1946.....	570	5,230	1,970	7,770
1947.....	612	5,673	2,253	8,538
1948.....	799	6,030	2,630	9,459
1949.....	1,033	6,282	2,750	10,065
1950.....	1,285	6,383	2,599	10,267
1951.....	1,466	7,825	3,267	12,558
1952.....	1,747	8,881	3,896	14,524
1953.....	1,880	9,067	3,541	14,488
1954.....	1,911	8,869	3,229	14,009
1955.....	1,881	9,253	3,255	14,389

¹ Assets include farm real estate less value of dwelling, crops on hand, livestock, machinery and equipment less 60 percent of the value of automobiles, and demand deposits used for production.

Source: Agriculture Outlook Charts, November 1955, U. S. Department of Agriculture.

Mr. President, I think the soil-bank provision is the great new contribution and the great new addition that we have needed to add either to flexible price supports or to rigid price supports, in order to give the farmer a reasonable income during this adjustment period following the period of war, and leading back to a period of peace. In my opinion, during that period, rigid supports will work better than flexible supports. I urge the defeat of the Anderson-Holland amendment. I urge support of the full 2-year continuation of 90 percent price supports as provided in our committee bill.

In addition, if the soil bank works as well as all of us hope it will, the matter of price supports will shrink into comparative insignificance, because then there will be received in the market place, as a result of the various provisions included in the bill, sufficient income for the farm family to place that family in a parity position. But if, during the first few years of operation of the soil-

bank plan—during the first 2 years, as provided in the bill—it does not operate as well for some segments of the country or for some crop or for some group of farmers as its most enthusiastic advocates envision, then we shall have provided for farm income, in the form of 90 percent price supports, to keep the farmer and his family from plunging upon the disastrous shoals of insolvency. We need as a minimum these 2 full years of continued 90 percent price supports.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The time yielded to the Senator from South Dakota has expired.

Mr. ANDERSON. Mr. President, I yield 2 minutes to the Senator from Kansas [Mr. CARLSON].

The PRESIDING OFFICER. The Senator from Kansas is recognized for 2 minutes.

Mr. CARLSON. Mr. President, once again we are discussing the question of rigid, high price supports as contrasted with flexible price supports. I wish to discuss this question from the angle of the wheat growers of the Nation.

Frankly, Mr. President, I do not think it will make a bushel's difference in the amount of production of winter wheat this year, whether we have high, rigid price supports or whether we have flexible price supports. In my opinion, enactment of the bill today, including the soil-bank provisions, will not reduce the production of wheat in the winter-wheat area; and that is one of the problems we are facing.

Mr. President, the winter wheat has already been planted. Based on the historic production, we shall raise as much wheat this year as we did last year; and our surplus has increased to a billion bushels.

It is a very serious problem. I believe that we need, not necessarily 2 years, as provided in the Senate bill, but some period of transition from the present flexible price-support program to the soil-bank program.

If the proponents of the soil bank, who are so enthusiastically in favor of it, have confidence that it will do what they

say it will do, then in my opinion we should have a period of 1 year in which to make the transition from rigid or high price supports, so that the farmers in the wheat-growing sections can obtain some benefit.

I challenge any Member of the Senate to stand on this floor and say that the farmers in the winter Wheat Belt of the Nation will receive any benefit from the soil-bank program this year, unless they plow under their growing-wheat crop. I live in a wheat-growing section, and I simply do not believe that the farmers who have a prospective wheat crop will plow it under in order to obtain benefits which will amount to 60 or 70 percent of the productive value of the crop.

So, Mr. President, I sincerely hope that the Senate will give favorable consideration to the amendment I have offered, when that amendment comes before the Senate, namely, the amendment proposing that wheat be handled on a commodity-by-commodity basis. That is a solution to which we shall have to come, in connection with this program.

Mr. ELLENDER. Mr. President, I yield 7 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. HUMPHREY] is recognized for 7 minutes.

Mr. HUMPHREY. Mr. President, I should like to register strong objection to the amendment proposed by the Senator from New Mexico [Mr. ANDERSON], the so-called flexible price-support amendment, versus the provisions of title I.

In the beginning, let me say that I have great respect for the Senator from New Mexico; and in regard to many areas of the bill, he and I are in full agreement. However, I am in sharp disagreement with what has been proposed in terms of striking out title I.

First of all, I wish to correct the RECORD in regard to certain terminology. I hear it said that 90 percent of parity price supports are firm and rigid. Mr. President, they are no more firm and rigid than are 75-percent price supports. A price-support level is established for a crop year. I should like to have those who are proponents of lower price supports—and that is what Senators favor or advocate when they propose to strike out title I—explain to other Senators how 75-percent price supports can be less rigid than 90-percent price supports. The only difference between the two is 15 percentage points in the income of the farmers, 15 percentage points in the parity-index income.

As the Senator from Louisiana [Mr. ELLENDER] has said, to adopt the amendment of the Senator from New Mexico will mean a substantial drop in cash income for the farmers this crop year. If there is any year during which the farmers need help, it is this year, this immediate period.

Furthermore, Mr. President, I think the issue can be boiled down to the question of whether we want effective price supports or whether we want ineffective price supports. I think the issue is whether we want workable price

supports of 90 percent, or whether we want collapsible price supports, under the Benson formula. The supports under the Benson formula are not flexible price supports; instead, they are collapsible. The sooner we label them for what they are, the better off we shall be.

I would say that some of the statements which have been made are not exactly in line with the facts in connection with the agricultural price-support program. For example, it has been stated here that if we have a 90 percent price-support program, along with the soil bank, we shall be running in opposite directions.

Mr. President, the truth of the matter is that the benefit payments under a soil bank program, as that program is requested by the administration, are to be on a voluntary basis. The whole idea is that we would have benefits sufficiently large to encourage participation in the soil bank. In the bill, there is no provision of compulsion insofar as the soil bank is concerned. The benefit payment will be designed, according to the Agricultural Marketing Service—and let me say that I hold in my hand a bulletin published only a day or so ago, for advance notice to the county agricultural committees—to be 50 percent of the loan level. So when a Senator votes to cut price supports, he votes to cut the benefits under the soil bank provisions; and when he votes to cut the benefits under the soil bank provisions, he votes to cut participation; and when he votes to cut participation, he votes to increase acreage; and when he votes to increase acreage, he votes to increase production; and when he votes to increase production, he votes to lower prices. That is the sequence.

Mr. President, the bulletin to which I refer comes from the Department of Agriculture, and in the bulletin the benefits of the soil bank are explained as follows:

Based on approximately 90 percent supports and optional parity.

The Department of Agriculture's own bulletin bases its information to the farmer committees on 90 percent of parity, because this Government does not dare go to the farmers and say that it is going to give soil bank benefits on the basis of 75 percent of parity.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not at this time. My time is limited.

The reason we need 90 percent price supports is to have income for what is produced, so that there will be benefit payments under the soil bank when many acres are taken out of production, to the point where benefit payments will really be meaningful and encourage participation.

Some further points need to be made. The Senator from Florida has said, with respect to corn, that all the corn farmers have been doing is selling their corn to the Government. There is only slightly more than a 3-months' corn supply. Representatives of the Department of Agriculture testified before our committee that the supply of corn was

so short that they could not put it under a set-aside. There is no surplus of corn that is meaningful. If there is, the Department representatives lied to us in the committee. Let us call it by the proper name. It is a bald-faced lie if corn cannot be put under a set-aside. It is a bald-faced lie if one says there is a monstrous surplus. As a matter of fact, the Government is not overloaded with corn. In 1952 there was less than 1½ months' supply of corn left, under 90 percent support.

I listened with considerable interest to quotations from newspapers in Miami—a great agricultural center. Those statements said that there was inconsistency. There was a letter from the President to the Senator from Vermont [Mr. AIKEN], in which the President said it was inconsistent to expect production incentives when adopting a soil bank. What production incentives? Under 90 percent of parity there are acreage allotments. We have cut back wheat acreage almost 23 million acres; cotton almost 10 million acres; corn almost 13 million acres. When we have 90 percent of parity we have production controls, and when we have 75 percent of parity there are the same production controls. The difference between lower price support and 90 percent price support is price, or income. In either case there are the same production controls. No one can prove to the contrary. I challenge anyone to prove that with lower price supports there is less production control.

We find that under firm, adequate price supports from 1952 to 1955, the price of peanuts was up 6 percent; burley tobacco, up 8 percent; wool, up 17 percent. The only one down was cotton, at 11 percent.

With sliding scale price supports, barley was down 36 percent, cottonseed down 38 percent, flaxseed down 26 percent, grain sorghums down 43 percent. The record is replete with examples showing that when we have collapsible price supports—and let us call them what they are—the price goes down. The word "flexible" is too nice a word to be used for the kind of propaganda which is being sent out. The Benson price support schedule is collapsible.

I heard one Senator suggest that fertilizer might be included in the program as a possible basis for soil bank payments. Fertilizer can be included, no matter what the price support level is. The truth is that the lower the price is, the more fertilizer is used, to obtain more production, in order to obtain more income.

The record is perfectly clear. When we reduced price supports on oats by 22 percent, from 1952 to 1955, production went up 30 percent. When we reduced price supports on soybeans by 20 percent, production went up 30 percent.

When the support level for flaxseed went down 23 percent, production went up by 42 percent. If the programs worked as they should, much of the talk about support levels would be unnecessary.

The whole objective of the flexible support program, supposedly, was 100

percent in the market place. If the producer gets 100 percent in the market place under flexible price supports, how does that help our world trade position, as compared with 90 percent? The price of the commodity at 100 percent in the market place is the same, whether it is under 75 percent or 90 percent price supports. The administration says it is for 100 percent in the market place. If we have 100 percent in the market place, is not that an incentive for production? Are there not the same problems in international trade? These trade arguments are beyond the point, if we really believe in 100 percent in the market place.

I understand why the public is of the mind that was indicated earlier by reference to editorial columns. The public has been misled. It has been propagandized. The Secretary of Agriculture has been sending letters to Senators. The Senator from Vermont [Mr. AIKEN] made public a letter from the Secretary of Agriculture, Mr. Benson, offering to freeze cotton acreage for 2 years and keep supports at high levels if the mandatory 90 percent provision were dropped from the farm bill. In other words, there would be no acreage reduction, even though the program requires acreage reduction. If only we vote against 90 percent price supports, the price support on cotton will be 85 to 87 percent.

Any little deal to divide our ranks. I charge that the Secretary of Agriculture has been lobbying Members of Congress. He has been making deal after deal on commodity after commodity, including cotton and corn.

I charge him with being guilty of unprincipled action. He talks about wanting to control production, but he is willing to freeze acreage allotments this year in order to attract some Senators away from the 90 percent support schedule.

This question involves the difference between money in the pocket and a collapsing farm economy. I am opposed to collapsible price supports. I am for fair, effective, 90 percent supports.

Mr. ANDERSON. Mr. President, I yield 8 minutes to the able Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, this is not an easy question. It is a difficult question. I presume that one can take a given set of facts and prove one thing, and someone else can take the same set of facts and prove something else.

One of the things I have never been able quite to understand is why we do not take the position that the farmer ought to have 100 percent of parity instead of 90 percent. If the farmer is entitled to parity, why should it not be 100 percent instead of 90 percent? Why is 90 percent so sacred? Why do we select the figure 90 percent? My position is that the farmer ought to have 100 percent of parity or more, but he ought to have it in the free market place.

If we are to enact legislation guaranteeing the farmer parity, or making certain by legislation that he has it, it seems to me that we ought to be talking about 100 percent.

Let us review for a moment the history of this legislation. The first act was passed in 1938. At that time parity was set at from 52 to 75 percent. That was under a Democratic administration, and a Democratic President.

Then World War II came along, and the act was changed to 90 percent of parity, to remain at 90 percent during the entire war period and 2 years thereafter. The purpose during the 2 years thereafter, as well as during the war, was to increase production.

I do not think there is any question that production was increased, but the law was written on the basis that automatically, 2 years after the end of the war, the price-support level would go back to from 52 to 75 percent of parity.

We have been operating under 90 percent of parity since about 1941, except for last year, with respect to the crops which were harvested last year. Of the 6 basics, all were at 90 percent except 3, I think. I believe wheat was 82 percent; corn was at 87 percent; and peanuts at 88 percent. Cotton and tobacco were at 90 percent. No one can make me believe that the difference between 82 percent and 90 percent on corn and the difference between 87 percent and 90 percent on wheat has much to do with the whole subject. The answer is that we have huge surpluses. Not only do we have huge surpluses, but also the prospect of huge farm production in the future. That is what has pressed down prices.

The able Senator from Minnesota said a moment ago that there was on hand only a 3-months' supply of corn. I am sure he was talking about what the Government owns and not about the hundreds of millions of bushels owned by the farmers which are now on hand with the farmers in their granaries. I am sure he was talking about the corn the Government owns.

Mr. ELLENDER. All of it.

Mr. CAPEHART. The distinguished Senator from Louisiana says all of it. I rather doubt that, though. In any event, the purpose of the 90-percent provision was to increase production. I am sure all of us are agreed that we have too much production. If that is so, how can anyone say that we do not have too much production and at the same time say we must have a soil bank, which will reduce production? How can anyone have his cake and eat it, too?

How can anyone out of one corner of the mouth say we do not have too great a surplus, that the production is not too big, and that we must have 90 percent of parity or 100 percent of parity, or whatever it is, and out of the other corner of his mouth say that we will have to reduce production by adopting the soil-bank provision which everyone seems to favor. I do not believe we have the solution to this problem at all. The solution to the problem is in more production, in more uses for agricultural products. That is what we will eventually have to have if we are to solve the problem.

As a result of World War II and the Korean war and high supports, we have built up huge surpluses. We have a machine capable of producing huge supplies.

We must find some way to protect the farmer in his income.

My best judgment is that we ought to give the so-called flexible plan a chance to work. The other plan has not worked. It has resulted in low prices. We have had 90-percent supports since 1941, except on the 2 crops I named, and that was true only last year. One of them is off 2 percent and the other is off 8 or 9 percent. The other plan has not worked. Therefore, we should give the flexible plan a chance to work, and adopt the soil bank, which will reduce production. It certainly can be put into effect on corn this year, and on many other products.

Let us give the flexible plan a chance to work. I am a farmer. I farm. I know how destructive low prices are. I talked to the man in charge of my farm a few minutes ago. He sold 51 hogs this week. I know what prices he obtained.

I cannot quite make up my mind that we should adopt a plan under which the farmer will be selling to the Government. I would like to see us do something to bring about an increase of price in the market place, because it is not sound economy to have a plan, either for the farmer or the manufacturer, or the candlestickmaker, under which taxpayers are going to buy the surplus.

In all fairness to the farmers it should be said that they borrow on their crops—that is on the six basics, at least—at whatever the parity is. That is the basis on which they borrow their money. They either pay the loans off or deliver the grains to the Government. They are really not getting something for nothing.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. CAPEHART. Mr. President, may I have 2 additional minutes?

Mr. HOLLAND. Mr. President, I yield 2 additional minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 2 minutes.

Mr. CAPEHART. The Government does not lose anything except when the surpluses are accumulated by the Government and the Government has to sell them at a lesser price than it cost the Government when it took the commodities over from the farmer. Then of course it costs the taxpayer money, but only then. The present plan has worked fairly well. I shall vote for the flexible plan because I believe we ought to give it a chance. I believe the problem is one of cutting production and eliminating the huge surpluses. In that way the farmer will have 100 percent or more in the market place.

Another thing we must do, if we wish to do something worthwhile, is to find new ways and means of using farm products in industry. We need greater consumption at higher prices. The farmer does not particularly care about the price. He wants dollars. It takes an X amount of dollars to run a farm and to show a profit, just as it does in business.

Therefore the farmer is interested in dollars. He is interested in enough to pay all expenses and have a little profit left over. That is what he wants. He

would like to get it in the free market. I am not allwise. I do not believe any other Member of the Senate is, either. We have tried 90 percent since 1941, and we have created huge surpluses. Now let us try the flexible plan. Let us try to get the farmers to cooperate in any governmental action we take, by way of reducing their production until we can get the farmers on a sound basis. That is what I want. Let us do that until we can get them a price in the market place that is 100 percent or more of parity. Then let us do something which I am sure we can do and that is to find new uses for farm products, other than for food purposes. Then we will be doing something constructive for the farmers. Let us not do something for political reasons. The farmers of Indiana are divided on this question, as I know farmers are divided in other States. I know we are all sincere and conscientious about it, but let us not hurt the farmer.

Mr. ELLENDER. Mr. President, I yield 15 minutes to the junior Senator from Kentucky.

Mr. BARKLEY. Mr. President, I am sure we all agree that on occasions in this great body a sort of sense of futility in debate tends to muzzle many of us, no matter how important the issue may be.

In spite of that fact, I have a few observations I wish to make in regard to the whole subject of farm legislation, and in particular with reference to the 90 percent support program contrasted with the flexible program, which is being advocated by the administration, spearheaded by the Secretary of Agriculture.

I do not suppose any one of us would contend that we have the last word on the farm problem. I do not know the Secretary of Agriculture. So far as I recall, I have never met him. I certainly have no prejudice against him as a human being. Notwithstanding his persistent advocacy of a program of flexibility, I doubt whether he would contend that he himself has the last word on the farm problem. I have been a Member of this body for many years when agricultural legislation has been before it for consideration. I was in the Senate when the original McNary-Haugen was under consideration. It was adopted by Congress, only to be vetoed by President Coolidge. I then did not regard the McNary-Haugen bill as a perfect measure, or the final solution of the farm problem. I voted for it because it was the best thing offered at that time, and because we had a choice between that and nothing. We got nothing, because of a Presidential veto.

I have supported the 90 percent of parity basis for farm supports whenever I have had an opportunity or choice between that and flexibility, although I voted in the beginning for a measure which contained the flexible theory, because it was the best thing offered then, and the only thing we had offered to us.

Reference has been made by the distinguished Senator from New Mexico [Mr. ANDERSON] a former distinguished Secretary of Agriculture, for whom I have the greatest respect and affection

and personal regard, about the results of the 80th Congress.

I recall that Congress and I recall the election of 1948. I happened to be the nominee for Vice President of the United States in 1948, and in all my speeches throughout the Middle West, the entire farm belt, and everywhere else, I favored the program of 90 percent of parity. There are Members of this body who heard me make that statement over and over again in the campaign of 1948.

To the surprise of a great many persons in the United States the Democratic ticket was elected that year, and I became Vice President. Shortly thereafter, I believe, in 1949, or possibly it was 1950—I have not looked up the date—I was called on to vote in a case of a tie, and I united the tie vote in behalf of 90 percent of parity and stated at the time my reasons therefor. I had campaigned all over the country in behalf of 90 percent of parity, and while I did not enter into any argument about it in my brief statement when I untied the tie vote, I did refer to the fact that I had espoused that principle and program and that, of course, I would vote for it, having been elected.

Mr. President, I am opposed to the amendment offered by the Senator from New Mexico. I am opposed to it because, if we are going to have a program, if there is to be held out to the farmers of the Nation any inducement or any program, the farmer is entitled to know what the program is when he plants his crop, rather than to wait until the crop is harvested.

The farmer has been described as the greatest gambler in the world. That term is not used in any opprobrious sense; it is used because he is a victim of the seasons and the elements, over which he has no control whatever. He never knows when he plants his crop, whether it be tobacco, wheat, corn, rice, peanuts, or anything else, what he will reap at harvesttime. He never knows, until he gathers his crop and puts it into the granary or the loft or the bin, whether he has a surplus or a deficit.

If he is uncertain when he plants his crop as to what his income is going to be, having a certain goal in income to achieve, his very uncertainty will impel him to increase his planting, because he must meet his financial goal. If he is uncertain as to the price, he will plant more in that uncertainty than he will if he knows what his price will be.

The 90 percent program enables him to know in advance upon what he may rely. He knows that whether there is a deficit or a surplus he will be able to borrow money from the Commodity Credit Corporation at a 90-percent basis of parity, whereas, if he does not have that program, he will not know until he garners his crop, and the Secretary of Agriculture determines his surplus. He will not know whether it is 90 percent, 82½ percent, or 75 percent. That very uncertainty will induce him to plant more in order that he may meet the goal which he has in mind at the time of his planting.

So, Mr. President, in view of the uncertainty of agriculture, which is the

most uncertain thing in the entire range of human activity, I think the farmer should know what the program is.

When a steel mill digs ore out of the ground and runs it through the mill, the management knows how much steel will be produced.

When an automobile manufacturer runs his cars through the line he knows how many there are.

When a manufacturer of agriculture implements starts the process of manufacture, he knows how many tractors, how many reapers, how many mowers, how many plows and harrows he will produce. There is no uncertainty about it. And he usually knows how much he will get for them when they have been produced and sent out over the country to the farmers. Only the farmer is uncertain about his prices and his profits.

Mr. President, I do not agree with distinguished Senators who say that our surpluses are solely due to the 90 percent of parity program which has been in vogue on some crops and at some times, not universally as to crops or as to time.

We have a 90-percent program on tobacco. That is the only crop, I think, on which we have a 90-percent program. All the other crops are on a flexible program. We have been under that program during 1955. We are now under a flexible program, and yet, day before yesterday, the Secretary of Agriculture announced that under his flexible program the income of the farmer went down more than \$1 billion in 1955. Unless something is done to halt the decline the farmer's income will go down still further in 1956. I have no hesitancy in predicting that unless there is some stopgap adopted—that is not a very good word for it, but probably it is as good as any other—to halt the decline in farm income, it will go down even more in 1956 and probably more in 1957.

What are we going to do about it? I am for the soil bank. I am for it because I believe it inaugurates a long-range program by which we can reduce whatever surpluses there are or may be. Yet, there is no immediate relief for the farmer in the soil-bank program, even in 1956 or 1957.

I do not think the two programs are inconsistent. In my opinion they complement each other. While we are reducing the surpluses under a soil-bank program over a long period of years we will also enable the farmer to bolster his income this year and next year so that he will be prepared for a reduction in surpluses as the years roll around. There is not only nothing inconsistent between the two programs, but they are complementary to each other.

Mr. President, I realize that our farm population has been declining percentage-wise for a long time. The farm population of the United States is now approximately 21½ million; yet, the farmers buy far and away out of all proportion to their numbers.

I should like my colleagues from the industrial regions of the Nation to keep that in mind when they vote on this 90-percent program. The decline of a billion dollars in farm income means a de-

cline in the purchasing power of the farmers of the United States by more than a billion dollars. It means a decline in the purchasing of agricultural machinery. Due, in part, to the decline, the Moline Co. went out of business in the latter part of 1955. That meant that skilled workers in the city of Louisville were thrown out of employment. That meant a decline in the economic position of workers in this country.

The adoption of the farm program, the increase in farm income, the long-range program of soil conservation, rural electrification, the improvement of our highways, and all the other things which have been done in the last two decades to improve the welfare of the American farmer have resulted in widespread employment in the great industrial centers of the United States.

Who makes refrigerators? Not farmhands in a fence corner. Who makes automobiles? Not unskilled workers in the field between two corn rows. Who makes washing machines? Who makes radios and televisions? Who makes all the electrical appliances which have enabled farmers and their families to enjoy life more abundantly? It is the skilled workers in the cities of the Nation.

Those who make these products, those whose labor depends upon the purchasing power of the American farmer, have made these things; and as farm income declines, the jobs and the income of the industrial workers decline; and sooner or later there will be a disastrous reflection in the economic position of every city in the United States, no matter how large or where located.

So not only do I support the 90-percent program because I believe intrinsically it is right—

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. ELLENDER. How much more time would the Senator like to have?

Mr. BARKLEY. A few more minutes.

Mr. ELLENDER. Will 5 minutes be enough?

Mr. BARKLEY. Let me try 5 minutes.

Mr. ELLENDER. Mr. President, I yield an additional 5 minutes to the Senator from Kentucky.

Mr. BARKLEY. I support the 90-percent program because I believe intrinsically it is right; because of all the segments of our population, the farmer is the greatest victim of the seasons and the uncertainties of the situation; because I believe that as agriculture declines, ultimately our entire economy will decline; because I believe the farmer is always the first to suffer when any economic difficulty begins, and the last to go up the hill when it ends; because I believe the millions of industrial workers throughout the Nation rely upon the purchasing power of agriculture; because I believe that 90 percent of parity will be in harmony with the effort to reduce acreage; because if there is uncertainty as to price, the farmer will be less inclined to join in the voluntary cooperative program to reduce his acreage; because if he is required to meet a certain financial goal at the end of

the year, he will strain himself in production and in acreage in order to meet that goal; he will be less inclined to cooperate because of his sheer economic necessity.

There are many other reasons why I oppose the amendment offered by the distinguished Senator from New Mexico and why I believe its adoption will practically scuttle the entire bill.

The soil bank program by itself, in my judgment, will not aid the farmer now. He cannot afford to wait 5, 10, or 15 years for the soil bank loan to solve his problem.

I think the two proposals go along together; they dovetail into each other as if by design. I think the committee was wise in reporting both provisions.

As one who was reared on a farm all his life, and who now lives on one, I shall be very much discouraged if the amendment shall be agreed to, because the farmers of the Nation, notwithstanding the crop they grow, will become again the victims of uncertainty, which they themselves cannot control, and for which they have no remedy.

For these reasons I hope the amendment offered by the Senator from New Mexico will be defeated, and that we may send the bill back to the House with both provisions included—90 percent of parity and the soil bank—so that those provisions may work together to bring about a permanent remedy, if one is attainable at all, of the distressing farm problem which faces our country today, and with which we have to contend not only in the Senate but with which every farmer in the Nation has to contend every year.

I am not speaking of tobacco. Tobacco is now under a 90-percent support program. But I am speaking for the farmers who produce wheat, corn, rice, peanuts, and other commodities. I am speaking for the farmers who produce hogs and cattle of all kinds. There is in the bill a provision to help them, although it is not under the 90-percent proviso.

I am not, I hope, provincial or sectional in my advocacy of this program. I shall vote for it for Kansas, Nebraska, Montana, and Missouri with as much conviction as I shall vote for it for my own State.

Mr. President, I hope the amendment will be disagreed to, and that the 90 percent of parity provision will be retained in the bill.

Mr. ANDERSON. Mr. President, I yield 2 minutes to the distinguished senior Senator from Iowa [Mr. HICKENLOOPER].

Mr. HICKENLOOPER. Mr. President, I do not wish to prolong the debate. I only wish to say that as the bill came from the Committee on Agriculture and Forestry, and as it now stands under existing law, it offers the greatest disturbance to the Grain Belt of any piece of proposed legislation which has been presented in the Senate. The bill makes it practically impossible for the Corn Belt to take advantage of any parity price or to participate in the soil bank program.

With respect to the 90 percent of parity provision, I am as anxious as anyone else to reduce farm surpluses and to have

the farmer receive a fully adequate and proper price for his products. I am working to that end, and I shall continue to do so.

But if one is sick—and agriculture is sick, and has been sick for several years—and the doctor keeps feeding him medicine which puts him further and further away from health, he does not continue to be treated by that doctor or with the same medicine.

All the agricultural decline, for all practical purposes, has been under the mandatory 90 percent of parity formula for basic commodities. Every bit of the decline has occurred under that formula.

There is no support whatsoever for the statement that a further continuance of a program under which the sickness of agriculture has steadily progressed will make the patient well. I think it is apparent, and I call attention to the fact, that since the war every Secretary of Agriculture has advocated the abolishment of 90 percent of parity. Every President—and that, too, has been since the war—has advocated the abolishment of 90 percent of parity. They said it had to be done.

It is true that Mr. Truman, in the face of an election, after having supported the abolishment of 90 percent of parity, and Mr. Brannan, after having supported the abolishment of 90 percent of parity, also on the eve of an election, switched their positions and asked for 90 percent of parity. But Mr. Truman and Mr. Eisenhower have advocated the abolishment of 90 percent of parity.

The distinguished Senator from New Mexico [Mr. ANDERSON], when he was the Secretary of Agriculture, worked for the abolishment, as war measures, of high price inducements, and sought the adoption of peacetime operations,

Mr. Brannan advocated the flexible price support theory, but changed his mind on the eve of an election.

Mr. President, I do not want to see continued the medicine which has been contributing to the illness and almost to the demise of agriculture.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished junior Senator from North Dakota.

Mr. YOUNG. Mr. President, I am not too much impressed with the quotations from newspaper editorials on farm matters which were read by my good friend, the senior Senator from Florida [Mr. HOLLAND]. If the people always followed the views expressed in newspaper editorials, we Republicans would have been in power for the last 20 or 30 years, or for as long as I can remember.

In the election of 1948, a major issue in the farming areas of the Nation was flexible versus rigid price supports. There can be no denying that fact. Our good friend, the Senator from Kentucky [Mr. BARKLEY], who was formerly the Vice President, said he campaigned on the basis of 90 percent price supports.

The decision was clear. We Republicans, under Dewey, who campaigned for flexible supports, were defeated in the farming areas of Ohio, Indiana, Illinois, Wisconsin, Iowa, and as far West as California. The people of America voted

for President Truman. Apparently they approved of 90-percent supports.

Again in 1952 President Eisenhower was very emphatic in his support of 90-percent supports, much more so than the Democratic candidate for President, Adlai Stevenson. Again the people of this Nation made a decision. They favored 90-percent supports.

Are we now going to advocate flexible supports? It seems to me this would be the worst time to do so. It would wreck agriculture completely. I do not think we shall want to get ourselves into that kind of situation. At least, I hope not.

Mr. President, much has been said about what 90-percent supports have done with regard to surpluses. 90-percent supports are blamed for our surpluses. For the last 5 years straight, since February 1951, farm prices have taken a nosedive. They are now down to 81 percent of parity.

If lower prices would result in decreased production, one would think that after a 28 or 29 percent drop there would have been a rather small crop this last year. That was not the case. In 1955 we witnessed the greatest overall agricultural production in the history of the Nation.

Today hundreds of thousands of American farmers are going broke. That is particularly true of the younger farmers. I think the most tragic thing that could happen to the American farmer would be to reduce his farm income further by lowering price supports for 1956.

I certainly oppose the amendment of my friend from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. Mr. President, I yield 1 minute to the Senator from Maine [Mr. PAYNE].

Mr. PAYNE. Mr. President, my position on the amendment pending before the Senate at this time, which was offered by the distinguished Senator from New Mexico and others of our colleagues in the Senate, can be stated very briefly, and, I think, rather plainly. My support is fully in behalf of the amendment which has been offered to strike from the bill rigid price supports, and the position I take reflects practically the entire, if not the entirely unanimous, opinion of the agriculturalist interests of my State.

Mr. President, there is no need to prolong my remarks further. I ask unanimous consent that a statement I have prepared in connection with this matter may be printed at this point in the RECORD, and that five representative letters and telegrams which I received from agricultural groups in my State may likewise be printed at this point in the RECORD.

There being no objection, the statement, letters, and telegrams were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

Agriculture in the United States is more than our Nation's basic industry—it is a way of life. Throughout our entire history the farm family has given strength and stability to our social order. A healthy and vigorous agricultural community is absolutely essential to the well-being of our Nation's economy and society.

No single factor on the national scene today is more disturbing than the decline in farm income. The continuation of wartime production incentives after the end of World War II is the primary cause of the present farm depression. Those production incentives have created mountainous surpluses which continue to pile up at alarming rates. Yet, we are now being asked by some to return to a system of production incentives which can only result in the accumulation of further surpluses and the negation of the soil bank provisions of S. 3183.

When the Eisenhower administration took office in January 1953, it inherited a steadily deteriorating farm situation. In his agriculture message to Congress on January 9, 1956, President Eisenhower summarized the work which his administration has done on the farm problem as follows:

"Many new foundations of permanent value to all farm families have been laid in the past 3 years. Two years ago a new farm law was enacted, designed to gear agricultural production incentives to potential markets, thereby giving promise to our farm people of a stable and dependable future once the wartime inheritance of surpluses is removed from the farm economy. Loan programs have been substantially improved, enabling many more farmers to acquire family-sized farms and to improve their farms and homes. The benefits of social-security protection have been extended to farm families. The return of the Farm Credit Administration to farmer control, expansion of soil-conservation assistance and rural electrification and telephone programs, increased funds for research and extension work, initiation of new programs to aid low-income farm families, adoption of tax provisions of benefit to farm people, increased storage facilities, upstream soil conservation programs, greatly expanded disposal activities for surplus farm products, strengthening our Department of Agriculture representation overseas in the interest of expanded markets—these and other advances have permanently reinforced the foundations of all agriculture."

The cooperative efforts of President Eisenhower, Secretary of Agriculture Ezra Taft Benson, and an enlightened bipartisan congressional majority under the leadership of Senators GEORGE AIKEN, of Vermont, and CLINTON ANDERSON, of New Mexico, have since 1953 started the Nation on the road to a long range and realistic solution to its agricultural problems. These leaders have joined in supporting further steps to help put American agriculture back on a sound and prosperous basis. Some of their recommendations have been incorporated in S. 3183; those provisions of this bill will have my wholehearted support.

I am strongly opposed, however, to those provisions of the pending bill which would restore rigid price supports and shall support amendments to delete those provisions from the bill. Restoration of rigid price supports for so-called basic commodities would serve as an incentive to increase agricultural production and would, therefore, defeat the other sections of the bill which are designed to reduce production. Rigid price supports also conflict with the interest of farmers who do not produce the so-called basic commodities which are supported. These producers of nonsupported commodities are also a vital and integral part of the agricultural community and their interest should not be ignored by the Congress.

The poultry farmers of Maine are a typical example of a group which is injured by rigid price supports of the so-called basic commodities.

Agriculture in Maine is not conducted on the same scale as it is in some of the wheat and corn and cotton producing States, but in terms of importance to the welfare of the

New England economy, Maine agriculture is of vital concern and the poultry industry now constitutes the largest single segment of Maine agriculture. The poultry industry would not be supported by the Government under the 90 percent parity formulas, contained in S. 3183, nor has it been supported under the present flexible price support system. It is particularly noteworthy that the representatives of this industry have not and are not asking for inclusion in these programs. They have no desire to receive support from the Government for production which is, to their way of thinking, unjustified in terms of what the economy will consume.

If the Maine poultry farmers were still faced with only the problems of free market, I am sure that we would hear no complaints from them. But because of the rigid price supports of the past few years, the poultry farmers of Maine are no longer in a position to complete freely for the products they must buy to continue their production. Poultry farmers are constantly faced with the problem of high grain costs. Poultry farmers must buy grain that costs more because of Government support, but at the same time must sell their products in an unsupported market. As a result, the relationship between costs of production and price is out of proportion.

Let me emphasize again that the poultry farmers in Maine are not asking for a supported market for their products as the best means to obtain a fair profit for their industry. They ask only that the Federal Government refrain from raising their costs of production by rigid high price supports on the feed grains which they must purchase.

The poultry industry, however, is not just a Maine industry. It is spread over the entire Nation. Poultry farmers are usually small operators who have only a narrow profit margin. Before we vote on this question of rigid price supports, I hope every Member of the Senate will consider the effect of restoring rigid price supports on our Nation's poultry and other grain consuming farmers.

Sections 101, 102, and 105 of S. 3183 should be deleted. Restoration of rigid price supports would defeat the purposes of the soil bank proposal; would do incalculable injury to other segments of the farm economy; and would result in the accumulation of even greater Government held surpluses.

WAYNE, MAINE, February 22, 1956.
The Honorable FREDERICK G. PAYNE,
Senator From Maine,
Senate Office Building,
Washington, D. C.

DEAR SENATOR PAYNE: It is the mind of our local farm bureau group to notify you that we are definitely opposed to a return to fixed 90 percent price supports on basic commodities and any dual parity formula. Also, we wish to retain the present 75-90 percent parity range for dairy supports in view of the increase in dairy production at present level.

We approve the administration farm plan's soil bank program if the problem of diverted acres can be met in direct terms with those receiving subsidies, and the terms are enforced. It would seem that enforcement could be accomplished, in any event, at less expense than the country is now bearing—and the step taken toward removal of stored and current surpluses would be in the right direction.

It is obvious that rigid supports, dual parities, and a dairy percentage hike would invite more basic commodity surpluses and indirectly, perform a disservice to bona fide farmers, and to taxpayers.

The basic unfairness of discriminatory subsidies and the inefficiency of any subsidies this long after the war emergency, leave a bitter taste indeed. Farmers lose the goodwill of the general public, and still

have not attacked the real farm problem—higher costs.

Can we justify a program of continuing subsidized surpluses on the grounds of future population increases or readiness for war? Present farm methods and research promise an adequate and abundant agriculture, easily and quickly enlarged, if necessary. Oversized stockpiles, expensive and perishable, are sitting-duck targets, isolated by transportation failure in modern war. Most other disasters are acts of God.

As small farmers, dairymen, poultrymen, potatomen, orchardists, and market gardeners, we want to make our livings in a free farm economy and we therefore urge you to influence the Senate toward a furthering program to reduce farm dependence on Government. Let the chips fall where they may.

Yours faithfully,

T. DOUGLAS O. STEVENSON,
President, Farm Bureau Group of
Readfield, Mount Vernon, Vienna,
Fayette, and Wayne.

CAMBRIDGE, MAINE, February 21, 1956.
Senator FREDERICK PAYNE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR PAYNE: I am greatly concerned about the outcome of the bill, S. 3183, Agricultural Act of 1956. I urgently request that you will do all in your power to see that this bill is not passed as now written.

Sections 101, 102, and 105 deal with fixing a rigid price support on commodities which in turn automatically encourages overproduction. This would be defeating the very principle of the soil-bank proposal, and certainly has no regard concerning the surpluses of various commodities now in storage. Selective disposition of the surpluses is considered a much sounder approach to this mountainous problem than the proposed processing tax now written into this bill.

Also title V, the two-price certificate plan for rice should be eliminated. Section 106 reinstating a dual parity price is not desirable.

Please give careful consideration to this bill as written by the American Farm Bureau Association.

Sincerely yours,

ELMER L. FOLSOM,
Secretary and Treasurer, Somerset
County Farm Bureau Association.

WASHBURN, MAINE, February 22, 1956.
Senator FREDERICK G. PAYNE,
Senate Office Building,
Washington, D. C.:

Believe rigid farm price supports undesirable. Control diverted acres essential. Difficult administer but important to Northeast.

SMITH MCINTIRE.

WATERTOWN, MAINE, February 20, 1956.
Senator FREDERICK G. PAYNE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR PAYNE: I am very much opposed to S. 3183 as it now stands. Hope you see fit to vote to strike out sections 101, 102, 105, and 106.

Sincerely yours,
Representative WALLACE WOODWORTH.

TURNER, MAINE, February 19, 1956.
Hon. FREDERICK G. PAYNE,
Senate Office Building,
Washington, D. C.:

Urge your opposition to S. 3183, Agricultural Act of 1956 in its present form. Sections 101, 102, 105, 106, and title V should be changed or struck from the act. Agriculture can never get out of its depressed condition if laws are passed which add to our

present surpluses. We favor an agricultural program such as outlined in the President's message to Congress.

A. B. RICKER,
President, Androscoggin County
Farm Bureau.

Mr. ELLENDER. Mr. President, I yield 4 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, I think each one of us should stop for a minute or so and try to figure out how we can get more money into the pocket of the farmer. If we do that, I think we will all agree that 90 percent of parity supports for the farmer will come nearer guaranteeing more money in his pocket than anything else.

Why do I say that? Because it will be found that the prices farmers receive are to a very large extent regulated by the support prices Congress fixes.

We are all conscious of the fact that during the last year a billion dollars in net income has been taken away from the farmers of this Nation. A few short years ago, farmers had an income of \$17,200,000,000. By the last quarter of 1955 it had dropped to \$10,200,000,000, which represented a \$7 billion drop for the farmers, while every other group in the United States was getting an increase.

We in Congress raised the minimum wage from 75 cents to \$1 an hour. I was in favor of that. At the same time we were saying to the farmer, "The cost of everything you buy will be based on \$1 an hour instead of 75 cents an hour."

Then in 1955 we put into effect a sliding scale of support prices. Remember that the flexible-support prices were put into effect only in 1955. Do not let anyone tell us anything to the contrary. Some will say that 90 percent of parity supports were in effect. That was so, but only because under the sliding-scale formula, the Secretary of Agriculture kept prices at 90 percent. If supports had been allowed to go lower, we know what would have happened at the elections. There is no question about that.

Let us see how Mr. Eisenhower changed. We hear that other persons changed, but Mr. Eisenhower came to South Carolina and spoke on the Statehouse steps. This is what Mr. Houston Manning said:

Gentleman, in 1952 a candidate for President of the United States, Ike Eisenhower, spoke on our Statehouse steps right over there. I don't pretend to tell you what the President said in Dakota or Minnesota. I read about it. I heard with my own ears. He spoke of his attitude toward the farming situation. These are his words, not part of what he said. He said:

"There are no ifs, ands, or buts about it. I am for 90-percent parity for our farmers, and more too, if necessary, to give them their just share of our national income."

Those are his words. And the saddest thing of my life, gentlemen, except I was sending our boys to Korea, but with that exception the saddest thing is to see a fine man like Ike Eisenhower, a man I put up \$750 to elect—

Yes; he is disgusted.

Let us see what Mr. Benson is doing.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I ask for 1 additional minute.

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Secretary of Agriculture Benson has said he will be willing to forego scheduled cuts in cotton acreage the next year if Congress votes for flexible supports ranging from 75 to 90 percent of parity.

If that is not an offer to try to buy votes on the Senate floor, I do not know what it is. What I have just read has come over the news ticker. We have heard recently of persons offering money to campaign funds of Senators to have them vote a certain way. The Secretary of Agriculture comes along and offers not to cut acreage if the price supports on products of the farmers of the Nation are kept at a certain level. We all know that if acreage is not cut, there will be more production. It has been shown by the record.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. ANDERSON. Mr. President, I yield 10 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I do not think I need to say much to advise the Members of the Senate today where I stand on the question of rigid price supports. I spoke at some length last week. I have not changed my mind in the meantime. I said at that time I think we put altogether too much emphasis on the maintenance of farm prosperity through dependence on price supports, flexible or rigid, which is dependency on government.

I believe firmly the farmers of this country will never achieve a permanent high level of income and prosperity until they take things into their own hands and handle their own affairs.

The matter before the Senate today is very important. How we vote on this question may determine how we go from now on. It could conceivably indicate how our Nation will be moving and where it will be going from now on.

The proponents of section 101 of the bill contend that a restoration of high, rigid price supports would make the farmers of the United States prosperous and happy. Mr. President, that line of reasoning is completely false. High, rigid price supports never have brought prosperity to the American farmer, and they never will. High, rigid price supports are primarily responsible for the difficulties the American farmer finds himself in today.

I heard the Senator from Louisiana [Mr. ELLENDER] lament because he said the American farmer is being brought to the verge of bankruptcy. Today, the income of the American farmer is not what it should be; since the spring and summer of 1952, farm market prices have dropped from 113 percent of parity to 80 percent of parity, in January, and has risen to 81 percent last month—a drop of 32 parity points over a period of only 3 or 4 years. But during that time, 30 of those points came under high, rigid

price supports, and only 3—in fact, I do not think it has been more than 2 of those points—have come since last summer. That is what has happened to market prices under high, rigid price supports and under flexible supports.

Let us see what has caused the drop in net farm income during the last 2 years. It is true that farmers have received lower prices. On the other hand, they have had good crops, and crops of good quality. In most cases they have been sold for fair prices. In some instances they have been sold for high prices. In other instances—as in the case of the price of hogs this fall—they have sold for very low prices.

But, Mr. President, the net farm income is the difference between the gross farm income and the costs of production. The gross farm income is very little below what it was in the all-time peak net income year of 1947—only \$1 billion less, or approximately \$33 billion, as compared with \$34 billion.

Net farm income has dropped down because of higher production costs. What has been responsible for those higher costs? I wish to point out, first, that the sharpest increase in farm production costs has come in connection with the depreciation of buildings and equipment. In the banner year of 1947, depreciation on buildings and equipment amounted to only \$1,616,000,000. Then in 1954 it rose to \$3,645,000,000—an increase of \$2 billion alone.

Mr. President, in the summer of 1954, a tax bill was before the Senate. We put into that bill some provisions which were good for the farmer. We gave the farmer a rapid write-off on his buildings and on the equipment he had bought. Instead of taking 40 years to amortize the cost of a new barn, he could amortize his cost in approximately 19 or 20 years. Instead of taking 10 years to amortize the cost of a tractor, he could amortize its cost in 5 or 6 years. In short, we just about halved the period of time previously required. We doubled the depreciation of buildings and equipment, and that is chargeable against production costs. It is my opinion that that item, alone, accounts for at least two-thirds of the drop in net farm income over the last 2 years.

What we did for the benefit of the farmer reduced his income, at least on paper.

We did one other thing. Previous to 1954, when the farmer built a new pond or drained some land, and when that cost him, let us say, \$400 or \$500, he had to add that amount on the capital-gains side of his books. But in 1954 we passed good legislation permitting the farmer to charge the cost of that permanent soil-conservation work against crop-production expense. I have been unable to find out how much that amounted to. I have asked the Treasury, but the Treasury have not yet found out what it amounts to, although they know it amounts to quite a great deal. I have asked the Department of Agriculture, but the Department of Agriculture does not know. But assuming that we took \$200 million from one side of the farmer's books and put it on the other side of his

books, that makes a difference of \$400 million.

I am not trying to say that today the farmer is prosperous. He is not now getting anywhere near his share of the unprecedented prosperity of the Nation, and we should not rest until we see to it that the farmer does receive a more equitable share, his proper share, of the national income.

But I wish to say that the legislation we passed in 1954 is, in considerable degree, responsible for the lower net income of the farm population today.

To get back to the rigid support program, let us consider what high, rigid price supports have done for the basic commodity producers of the United States during a period of only a few years. Let us consider wheatgrowers first.

The wheatgrower of the Great Plains has seen millions of acres of his normal production transferred to other States. He has seen a compulsory reduction of 24 million acres in the planting of wheat. He has seen nation after nation apply subsidies to the production of wheat in their own countries in order to be self-sufficient and in order to be independent of American sources of supply. The cottongrower has seen the production of synthetic fibers increase until today the world is using synthetic textiles which are the equivalent of 13 million bales of cotton. The small cottongrower has seen his allotment cut and cut and cut until his acreage has been reduced to an uneconomic size, on which he can never expect to support his family in decency. The cottongrower has seen the American umbrella of rigid support prices induce production in foreign countries in almost direct proportion to the reduction in planting required in the United States.

Our foreign markets for cotton are almost gone; and if we continue to price American cotton out of the world market, the rest of the world will be completely self-sufficient in another 2 years.

American textile manufacturers have been put to a disadvantage and now are clamoring for trade barriers to protect them.

Cotton production in the United States has been frozen in uneconomic producing areas, simply because the producer is trying to protect his production allotment. The total production of cotton in the United States has arbitrarily been cut 10 million acres.

Mr. President, what have high, rigid price supports done for the tobacco grower? Because of the nature of that commodity, the tobacco grower's prices have been maintained, but he is rapidly losing his normal market.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. HOLLAND. Mr. President, I yield to the Senator from Vermont whatever further time he may require.

The PRESIDING OFFICER. The Senator from Vermont may proceed.

Mr. AIKEN. Mr. President, I wish to repeat what I said the other day, when I showed how high, rigid price supports have been harmful to the corn grower, how they have been harmful to the hog

raiser, and how they have hurt the dairyman. In fact, our dairymen have not yet recovered from what happened to them during the years when they lost 14 percent of their market.

I wish to repeat that the blame for virtually all the drop in farm income since 1947 can be laid at the door of high, rigid price supports. Do we wish to continue on that course? Do we wish to price the rest of our exportable farm commodities out of the world market? Do we wish to force an increased use of substitutes and synthetics?

Do we wish to deprive the American farmer of freedom of choice in managing his own farm? Shall we insist that the American farmer come on bended knee to the seat of Government and, with bowed head, petition the Government to support his family in decency?

If that is what we want, Mr. President, then we should vote to continue the rigid support program. We must make up our minds which way we want to go.

Mr. President, I wish every Member of the Senate could have heard the Senator from Florida [Mr. HOLLAND], when he spoke last night on this subject. He showed where we are headed if we force our farmers to depend solely upon the Government for their income and their welfare. We must make up our minds whether we want to continue to worship this totem pole representing a political philosophy, or whether we want to establish a real farm prosperity in America under control of the farmers themselves.

Mr. ELLENDER. Mr. President, I yield 7 minutes to the distinguished Senator from Oklahoma [Mr. KERR].

Mr. KERR. Mr. President, I am very much opposed to the amendment offered by the distinguished Senator from New Mexico [Mr. ANDERSON] and other Senators. I am not impressed by the remarks of the Senator from Vermont [Mr. AIKEN] who comes from a State which, so far as I know, does not produce a boll of cotton, a peanut, a grain of rice, or any wheat, corn, or tobacco, so far as the markets of the country are concerned.

I come from a State which is engaged in the production of many of those products. I have listened to Senators read editorials from the metropolitan press as to what is good for the farmers. I heard one distinguished Senator say, in tribute to two of our colleagues, that they were the greatest living experts on this question, and that they favored flexible price supports. He also stated that he knew of no group with any standing which opposed them.

Mr. President, there are 160,000 farm families in Oklahoma. I challenge anyone to find 1 out of 20 who agree with the position taken by the proponents of the amendment. I challenge anyone to go to the little farmers across the Nation and find 5 percent of them who agree with it.

Mr. President, this is the most important economic measure on which we shall vote this year. The fate of more American people, from the standpoint of their economic welfare, depends upon the outcome of the vote on this amendment than is the case with respect to

any other measure on which we shall vote this year.

The fate of the lowest income group in our Nation depends on the vote on this measure. One-fourth of the farm families in our country have an average annual income of less than \$1,000 per family. Three-fourths of all the farm families in the country have an average annual income of less than \$2,500 per family. It is their fate which rides on the outcome of the vote on this particular amendment.

This bill purports to be a farm bill. Let me say to the chairman of the committee and the other members of the committee who brought this measure to the floor that it constitutes a vast improvement over the present law. I am grateful for them for having done so, and for giving us an opportunity to vote on the bill.

I challenge any Senator to deny the statement that if this amendment is adopted, we tear the very guts out of the bill, so far as concerns any benefits from it for the average farmer. The soil bank is a wonderful thing, if and when it gets to work. However, the provision for 90 percent of parity on the basic crops is the only provision in the bill which would add to the income of the small farmer this year. It is the only provision in the bill which would put an additional dollar into the pocket of the average farmer.

There are millions of small farmers. They have small farms. They are not in a position, for the sake of a meager incentive, to take a portion of their limited acreage out of production. The only way they can be helped is by giving them a higher price for what they sell; and the only way they can bet a higher price for what they sell is through legislation which increases the percentage of parity at which the prices of their products will be supported.

We talk a great deal about surpluses. It is said that high price supports created the surpluses. That is plain tommyrot. There is no support price under beef cattle or hogs, yet we have a greater surplus of those two commodities than of any other commodities on the farm. Today cattle are selling under 60 percent of parity, and hogs are selling under 50 percent of parity. Was that surplus created by high price supports? There are no price supports on those commodities.

The surpluses were created during the war, in response to the call of the Government upon the farmers of the country to produce for security. The Government called upon industry to produce planes, tanks, ships, and guns; and when the Korean war was over we had a \$145 billion surplus in planes, tanks, ships, and guns. We still have \$120 billion of that surplus, which was produced for the security of our country.

Is anyone asking industry to carry that burden around its neck, and hold down the price of everything it produces until the surplus is used up?

The surplus of agricultural commodities was produced by the farm families of our country in response to the call of our Government to produce to insure our

chances for survival. There was about \$6 billion of surplus when the Korean war was over. Many people in this country have wanted it to be an albatross around the neck of the farmers themselves until it is dissolved. Many people want the burden to be placed upon the backs of those who already carry the heaviest burden. It is the desire of some to burden them with the weight of that which they produced for the security of their country in time of war, at the call of their country to produce for freedom, for security, and for survival.

THE PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, may I have two more minutes?

Mr. ELLENDER. I yield two additional minutes to the Senator from Oklahoma.

Mr. KERR. The farmers are before the Congress today asking for help. If we do not give it to them, to whom shall they go? Are we to throw them back on Benson, and on the marketplace? I would just as soon be in hell with my back broken as to be a farmer standing before Benson, or in the marketplace, expecting to get either sympathy, charity, or assistance.

Congress has the responsibility of meeting this issue. The farmers of the country stand before us today asking us for relief. The only relief in this bill, in the form of additional cash in the pocket of the average farmer, is in the provision for 90 percent of parity. If we eliminate that provision from the bill, we are in the position of him who, when asked for bread, gave a stone. We cannot face the farmers of the country on the basis of any claims of meeting our responsibility unless we bring forth a bill which helps them now. This provision is the only one in the bill that will do it.

Mr. ELLENDER. Mr. President, I yield 5 minutes on the bill to the senior Senator from Georgia [Mr. GEORGE].

Mr. GEORGE. Mr. President, I merely wish to identify myself with the arguments which have been made in favor of a 90 percent of parity price on all the basic commodities. I believe that comparable legislation should be enacted in behalf of the perishable crops, so that under some sort of measure we can give to the producers of even perishable crops a reasonable price for their products.

Mr. President, it is passing strange that in a country like ours, where we are supporting our Armed Forces—our Air Force, our Navy, and our ground forces—to the extent of \$34 billion or \$35 billion a year, we haggle, as it were, over a decent price to the producers of foodstuffs and fibers, which are as absolutely necessary to the defense of this country as are guns, ships, and planes. They may not be so vital at a given moment, but the safety of the Nation depends upon a prosperous agriculture. It is shortsighted for anyone to take a contrary view.

For 20 years and more the entire farm program, following the giving of any kind of price support, involved a loss of

only about \$53 million a year. An unprecedented crop was made for 2 years in succession throughout the Nation. That probably would not happen again in the lifetime of any American farmer who is engaged in the making of those crops.

Mr. President, nations have gone down and civilizations have perished at the hands of an invading army because of the depletion and impoverishment of their soil. Yet because 5 or 6 billion dollars have been involved in the past few years, with unprecedented events occurring within that period, we hesitate to incur the very reasonable cost of a farm program which might make a prosperous agriculture, while spending \$35 billion annually to keep up the Army and Navy.

Food and fiber are just as essential and just as necessary for the defense of our Nation as the Army and the Navy.

Certainly when any man or any agency of Government can fix farm prices at a lower point and can flex that price up or down, the whole tendency of that sort of legislation is to drive farm prices down.

I have always voted for high parity price supports. I have no apology to make for it. I know that in the bill there is not anything to help the farmer now, in 1956, although he has lost money and although the price of his product is going down. There is not anything in the bill to help him, except a high parity price.

Mr. ELLENDER. Mr. President, I yield 4 minutes to the distinguished Senator from Minnesota.

Mr. THYE. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from New Mexico [Mr. ANDERSON]. It proposes to strike from the bill the provision for 90 percent supports for the next 2 years.

Mr. President, the proposed soil-bank program is the first realistic approach we have made which is designed to achieve a solution of the agricultural surpluses that are today destroying the farmers' markets. Surpluses have weakened farm prices at the market place, and that is basically why the farmer is suffering a loss in his income.

All we need do is examine agricultural statistics and we find that farm income has dropped from \$17,200,000,000 in 1947, to \$10,200,000,000 at this present time.

There is only one positive way of giving strength to the farmers' markets, and that is to restore temporarily 90-percent price supports until such time as the soil bank becomes fully operative and removes the burden of surpluses now depressing the farm economy. The Secretary of Agriculture has announced the support price for wheat for the calendar year 1956. It will be down 27 cents a bushel—down from \$2.08 to \$1.81. The Secretary has also announced that the support price on corn will be down 18 cents a bushel. Reduced support prices on wheat and corn will reflect reduced prices on feed grains. They will reflect lower prices on sorghum grains

of the Southwest. Reducing support prices on wheat and corn will also affect adversely prices on the oils, whether cottonseed, soybean, or flaxseed. In short, such price reductions on these two basics will directly affect adversely all farm prices. How can we justify this? We cannot.

We cannot impose further price reductions upon agriculture without threatening to destroy what the young men, who fought for this great country in World War II and in the Korean war, have worked to build up. These young men came out of military service and assumed heavy financial obligations in order to establish a farm home and to begin their farming operations.

Such a young man is today faced with a further reduction in his income. He is faced with burdensome interest rates on his obligations. If we reduce the income of that young family, we will threaten its liquidation. Yet, if we callously put that young farmer out of business, we still will not reduce the production on the land. All we will be doing is to take the property out of his hands under a forced sale and put it into the hands of someone who is financially able to reap the benefit.

Those are some of the personal factors that are involved in the pending amendment. They also should not be disregarded.

Mr. President, the soil bank is the first realistic approach toward solving the surplus problem. It is the first intelligent approach we have taken. It is the first time we promise a man, that if he will not cultivate an acre, he will be compensated for putting that acre into soil-building and conservation practices. Such compensation will enable him to meet his taxes, his overhead, and his general farm operating expenses. Heretofore we have diverted acres from wheat to corn or to cotton or to some of the other basic crops. All we have done is to transfer production of one kind of crop to another crop. We have diverted acreage from wheat and it has gone into the production of sorghum grains in the Southwest; in the Northwest former wheat acreage has gone into the production of barley and of other feed grains. In the South, we have diverted from cotton to either corn or soybeans, or some kind of feed crop. In other words, the land was never taken out of production. We have never reduced our total farm plant. That is why I say that the soil bank program is the first intelligent approach we have ever undertaken to reduce total acreage under production.

I urged with the Secretary of Agriculture over 2 years ago to take this same approach. I received an unsympathetic response. Today we are approaching the problem intelligently. However, we shall not get sufficient compliance this year to materially reduce the surpluses. It will be well into 1957 before that will be accomplished. Therefore until we are able to reduce the total acres under production, we shall not reduce the surpluses, and the farm economy will continue to be in jeopardy.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. THYE. Mr. President, may I have 1 more minute?

Mr. ELLENDER. Mr. President, I yield 1 additional minute to the Senator from Minnesota.

Mr. THYE. Mr. President, as I have said, until we reduce the number of acres harvested, the surpluses will continue to pose a serious threat to the stability of the farmers' markets. In the meantime, if we reduce price supports the farmer's income will decline further, just as was the case with milk when the price support was administratively reduced. The price of milk dropped 59 cents a hundredweight on the very day the Secretary of Agriculture announced the reductions.

This is far more serious than is indicated by mere words spoken on the floor of the Senate this afternoon. I have received a telegram today which reads as follows:

MINNEAPOLIS, MINN., March 7, 1956.
Senator EDWARD J. THYE,
Senate Office Building,
Washington, D. C.:

Today's Minneapolis paper states 1,100 of Minneapolis Moline 1,300 employees temporarily laid off. This is a real indication as to the effect of falling farm prices. Use every effort to push through 90 percent of parity as a stopgap measure. Congratulations on your wonderful stand on this issue.

P. B. O'SHEA.

Could this be a prophecy of the future? I sincerely hope not, but I shall not take the hazardous course of action of accepting, without objection, lower price supports which will mean reduced farm income this crop year.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished Senator from New York [Mr. LEHMAN].

The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

Mr. LEHMAN. Mr. President, as a Senator from New York, I try to represent the interests of both the consumers and the farmers of my State. I yield to no one in my defense of the interests of the 16 million consumers of New York. At the same time I feel deeply the vital importance of advocating and supporting the legitimate and proper interests of the dairy and other farmers who are so vital a factor in the economy of New York and of the Nation. In fact, I have always felt that the interests of the farmers and of the consumers are not only reconcilable, but indivisible, and I am convinced that the economic stability of the farmer is essential to the stability of our national economy.

In regard to the pending bill, I have weighed most carefully the facts as they have been given me in regard to the situation in which the dairy producers of New York find themselves. I have studied the effect which Secretary Benson's policies, under the present law, have had upon New York dairy farmers and the economy of New York State.

I am aware that New York dairy farmers are not as directly and immediately

affected by the price-support program as the dairy producers of other States. We market most of our milk in fluid form. I regret very much that this administration, consistent with its approach in other fields, has sought to divide the dairy producers of New York from the dairy producers of other States, and to give our dairy producers the feeling that their interests are different from those of other dairy producers. We were told, and are still being told, that the level of dairy price supports is of no real concern to us, since most of our production finds its way into the fluid-milk market. I judge this to be the old device of divide and conquer.

I feel that the interests of our dairy farmers are inseparable from the interests of farmers of other parts of the country. The level of dairy support does affect the dairy farmers of New York. It has affected them most seriously and adversely.

The welfare of the dairy farmers of New York State requires that the price-support program for dairy products be made consistent with the price-support program for all the other farm products. As long as New York dairy farmers have to buy price-supported grain and feed, it is to our vital interest to have a comparable price floor under dairy products. I believe that price supports alone may not be the final answer to our problem. But I know that the alleged solutions proposed by Secretary Benson have been even less acceptable. They have served only to drag the dairy farmer down.

Mr. President, the Benson experiment has failed. Unfortunately that experiment involved people—human beings. The experiment was launched by this administration on April 1, 1954, when Secretary Benson undertook to see what would happen to dairy farmers in this country if he dropped the price support level for dairy products from 90 to 75 percent.

Mr. Benson's "flexing" of the dairy farmers, Mr. President, has almost broken them, and will be recorded as a dismal and tragic failure.

When Mr. Benson decided on this grim experiment, he publicly laid down two criteria by which he would judge its success or failure. The first of these was a decrease in the production of milk. The second was an increase in the per capita consumption of milk and dairy products. Now that the experiment has run for almost 2 years, let us judge, on the basis of the experimenter's own findings, the progress made toward the attainment of its objectives.

First, Mr. President, let us see what Mr. Benson's statisticians report on the effect the experiment has had on production.

In 1953, the year before the experiment started, and at a time when milk and its products were under a 90 percent support level, the dairy farmers of this country produced slightly over 120 billion pounds of milk, and now, Mr. President, we are told by Mr. Benson that he estimates 1956 production at 126 billion pounds. It should be painfully obvious to Mr. Benson, the experimenter, that his experiment has failed on this point.

Now let us examine the results of the experiment on the per capita sales of milk and dairy products. It will be recalled, Mr. President, that when Mr. Benson started this experiment he justified it on the ground that the dairy farmers were pricing themselves out of the market. He argued that by lowering their prices, with the aid of his experiment, they could expect increased income from greater sales, and we would eat our way to better days.

Again, let us refer to the statistical information on consumption issued by Mr. Benson. We find that the per capita sales of dairy products from commercial sources actually have decreased from 688 pounds in 1952 to 682 pounds in 1955.

It is clear, Mr. President, that Mr. Benson's experiment has failed on all counts, and must be recorded as a tragic error.

The dollars-and-cents cost of this experiment is an inadequate basis on which to evaluate its effect. However, it does indicate the extent of its failure. Mr. Benson's experiment on the dairy farmers of this country has cost them over \$1 billion.

Mr. President, I do not have the figures to show exactly what this ill-fated tinkering with the welfare of the dairy farmers of the Nation has cost the dairy farmers of New York. Perhaps our farmers have not suffered quite as much as the farmers of other States. But that is no consolation. They have suffered. Their income has decreased. The price of milk has gone down. The returns received by the dairy farmers of New York from milk products other than fluid milk have fallen even more.

I have received convincing evidence that the dairy farmers of New York State have suffered an unsupportable loss in the returns they get for their labors. They were already among the lowest paid, per hour of work, in our entire population. Today they are even more so. They earn less than 62 cents an hour.

Whatever doubts I may have concerning the long-range wisdom of the price-support program—and I have very grave doubts indeed—I am thoroughly convinced that there is no other solution pending before us in legislative form that can rescue the farmers of my State and of the Nation from the plight into which they have been forced by the policies of this administration.

I must vote in favor of the program set forth in the bill as reported by the committee, including the provision for fixed price supports and in favor of the considerable improvements which are made in the committee bill for the protection of the welfare of the dairy farmers of the Nation and of New York State.

I firmly believe that the votes I shall cast on the farm bill, in support of the committee measure, will benefit the consumers of New York, as well as the farmers. No one will ever convince me, Mr. President, that the consumers can truly benefit from the distress of the farmers.

I shall vote against the administration's amendments. I shall vote for the interests of the farmers of New York and of the Nation.

Mr. HOLLAND. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. HOLLAND. I understand that an amendment in the nature of a substitute may be offered. Before it is offered, I ask that the yeas and nays be ordered on the Anderson amendment.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, I yield back to the Senator from New Mexico the short time remaining.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Langer	Stennis
Dirksen	Lehman	Symington
Douglas	Long	Thurmond
Duff	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Welker
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	Young
Frear	McClellan	

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). A quorum is present.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. As I understand, the vote will be on the Anderson amendment to provide for flexible supports instead of a high fixed parity.

The PRESIDING OFFICER. The Senator from California is correct. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON], for himself, the Senator from Vermont [Mr. AIKEN], the Senator from Florida [Mr. HOLLAND], the Senator from Delaware [Mr. WILLIAMS], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Mississippi [Mr. EASTLAND], which will be stated.

The LEGISLATIVE CLERK. On page 1, beginning with line 6, it is proposed to strike out down to and including line 2 on page 2, as follows:

PRICE SUPPORT LEVELS—BASIC COMMODITIES

SEC. 101. Section 101 (d) (6) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"(6) except as provided in section 402, the level of support to cooperators shall be 90 per centum of the parity price for the 1956

and 1957 crops of any basic agricultural commodity other than wheat if producers have not disapproved marketing quotas therefor."

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 54, nays 41, as follows:

YEAS—54

Aiken	Dirksen	Martin, Iowa
Allott	Duff	Martin, Pa.
Anderson	Dworshak	Millikin
Barrett	Eastland	Pastore
Beall	Flanders	Payne
Bender	Frear	Potter
Bennett	Goldwater	Purtell
Bible	Green	Robertson
Bricker	Hayden	Saltonstall
Bridges	Hickenlooper	Schoeppel
Bush	Holland	Smathers
Butler	Hruska	Smith, Maine
Byrd	Ives	Smith, N. J.
Capehart	Jenner	Stennis
Carlson	Kennedy	Watkins
Case, N. J.	Knowland	Welker
Cotton	Kuchel	Wiley
Curtis	Malone	Williams

NAYS—41

Barkley	Jackson	Morse
Case, S. Dak.	Johnson, Tex.	Mundt
Chavez	Johnston, S. C.	Murray
Clements	Kefauver	Neely
Daniel	Kerr	Neuberger
Douglas	Langer	O'Mahoney
Ellender	Lehman	Russell
Ervin	Long	Scott
Fulbright	Magnuson	Sparkman
George	Mansfield	Symington
Gore	McCarthy	Thurmond
Hennings	McClellan	Thye
Hill	McNamara	Young
Humphrey	Monroney	

So Mr. ANDERSON's amendment was agreed to.

Mr. ANDERSON and Mr. CASE of South Dakota addressed the Chair.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. ANDERSON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HOLLAND. Mr. President, I move to lay on the table the motion of the Senator from New Mexico.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from New Mexico.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. HICKENLOOPER. Mr. President, I call up my amendment, identified as "3-6-56-G."

The VICE PRESIDENT. The Senator is aware that his amendment is a lengthy one. Does the Senator desire that the amendment be read by the clerk?

Mr. HICKENLOOPER. It is not necessary that the clerk read the amendment; I shall comment on it.

The VICE PRESIDENT. Without objection, the amendment of the Senator will be printed in the RECORD at this point.

The amendment offered by Mr. HICKENLOOPER, for himself, and Mr. AIKEN, Mr. MARTIN of Iowa, Mr. DIRKSEN, Mr. JENNER, and Mr. CAPEHART is as follows:

On page 7, line 5, immediately following "SEC. 203.", insert "(a)."

Page 7, line 15, insert before the period the language "or, in the case of corn, below their farm acreage allotments or their farm

base acreages established as provided under subsection (b) of this section 203, whichever is in effect."

Page 7, line 16, change "(a)" to "(1)."

Page 7, line 17, insert after the words "acreage allotment," the following: "or, in the case of corn, his farm acreage allotment or farm base acreage, whichever is in effect."

Page 7, line 18, change "(b)" to "(2)."

Page 7, line 21, change "(c)" to "(3)."

Page 8, between lines 19 and 20, insert the following:

"(b) (1) Not later than February 1 of each calendar year in which an acreage reserve program will be in effect for corn, the Secretary shall, subject to paragraph (2) hereof, ascertain and proclaim (i) the commercial corn-producing area provided for in section 301 (b) (4) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (b) (4)), and (ii) the total base acreage of corn for the commercial corn-producing area for such calendar year. For 1956 the commercial corn-producing area previously proclaimed shall remain in effect, and the total base acreage of corn for the commercial corn-producing area shall be proclaimed as soon as practicable after the effective date of this act. Such total base acreage shall be the average acreage planted to corn in the commercial corn-producing area during the 3 years 1953, 1954, and 1955. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the 5 calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil-bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to such county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography.

"(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 406 hereof, producers do not vote in favor of the program provided in subsection (c) of such section."

Page 9, line 8, insert after the words "as amended" the following: "or, in the case of corn, their acreage allotments or farm base acreages, whichever is in effect."

Page 9, line 13, beginning with the word "Producers" strike down through the word "upon" in line 14, on page 10, and substitute therefor the following: "Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary—(1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be

a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this act: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released."

Page 10, line 21, after the period insert the following sentence: "The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year."

Page 21, line 14, revise the first sentence of section 215 to read as follows: "No person shall be eligible for payments of compensation under this act with respect to any farm for any year in which the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or 15 acres, or the corn acreage on the farm exceeds the farm base acreage for corn."

Page 21, line 23, following the word "allotment," insert the following: "or farm base acreage for corn."

Page 36, between lines 14 and 15, insert: "Sec. 406. (a) Notwithstanding any other provision of law, and in lieu of corn acreage allotments for 1956 (which shall be inoperative for 1956), the Secretary shall require as a condition of eligibility for price support on corn, that the producer agree to devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program or the conservation reserve program, equal to 15 percent of such producer's farm base acreage for corn. The producer by electing to participate in the acreage reserve program, underplanting his farm base acreage for corn, and otherwise complying with the provisions of section 203 hereof, shall earn a payment under subtitle A of this title. The producer by electing to participate in the conservation reserve program and otherwise complying with the provisions of section 207 hereof shall earn a conservation reserve payment under subtitle B of this title.

"(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

"(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn."

Mr. HICKENLOOPER. Mr. President, I yield myself 15 minutes or such portion of that time as may be necessary to make the presentation of the amendment.

Yesterday evening I spoke on the amendment, and I shall be very brief today. There is an explanation of it in

the RECORD, which is on the desk of Senators.

Mr. President, the amendment which I have offered is solely and entirely designed to fit corn into the bill as it came from the Senate committee, and make it practicable and workable to include corn in the soil bank, conservation reserve, and acreage reserve programs.

As the bill came from the committee, leaving in the law, as it does, the formula by which the commercial corn area acreage of this country must be reduced or fixed according to a formula, it is impossible, from a practical standpoint, for farmers in the Corn Belt to participate. I shall try, in a few words, to explain why.

Under the formula presently existing in the law, which would not be charged by the bill as it came from the Senate committee, it is necessary for the Secretary of Agriculture to announce each year, after applying that formula, the number of acres necessary to have a normal supply of a particular commodity for the ensuing year.

With respect to wheat, cotton, peanuts, and rice, a floor has been written into the law below which the Secretary cannot go in establishing the number of supportable acres. With respect to corn, there is no such floor. Consistently and traditionally, those in the commercial corn area have planted slightly more than 56 million acres of corn. Last year supportable acres numbered a little more than 49 million, under this formula, and less than 50 percent of the farm acres could comply, because the farmers were cut down to such a point that they could not operate their units advantageously.

Under the formula, which had to be announced by the Secretary of Agriculture prior to February 1 of this year, the corn acreage had to be further reduced to 43 million acres.

The corn farmers in the commercial corn area simply could not live and participate when the acreage allocations were reduced to 49 million acres. They have far less ability and inclination to accept a reduced acreage allotment of 43 million.

What the question amounts to is this: A farmer who, in his normal rotation practices, has, for instance, a 100-acre corn base, in order to participate last year, under the 49-million-acre allotment, had to reduce that 100-acre base to approximately 87 acres. If he reduced it to 87 acres, he was in compliance and was eligible for price supports. Still, in my own State of Iowa, which is the greatest corn-growing State in the Union, only 23 percent of the farmers received the benefits of price supports, because they were the only ones who put their corn to seal in my State. So, 77 percent of the farmers got no support prices at all except through feeding operations or in the free market.

The price of corn in the commercial corn area, under the supports as they existed last year, was not materially benefited by the 90-percent supports, because the price of corn on the market ran from as low as 80 cents a bushel in Indiana and 85 cents a bushel in Illinois

to \$1.10 or \$1.15 in Iowa. One of the reasons for the high price in Iowa was that there was a drought there last year.

But the price of corn was roughly from 70 to 72 percent of parity. Ninety percent of parity did not apply to the corn produced by the corn farmers, because it was not applicable. The corn farmers simply could not exist under those circumstances. They cannot comply when the acreage is further reduced, this year, under the formula, to 43 million acres. Therefore there will be no opportunity for the corn farmers to participate in the soil bank and in the conservation reserve, because under present law they must be in compliance before they can place any acres in the soil bank. So, Mr. President, to all intents and purposes we are eliminating at least 75 percent of the corn farmers in the commercial corn area from the possibility of participating in the soil bank, and thereby we defeat the very purpose of the soil bank.

Mr. THYE. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. HICKENLOOPER. I yield.

Mr. THYE. What supports will the corn farmers receive under the amendment proposed by the distinguished Senator from Iowa?

Mr. HICKENLOOPER. First, Mr. President, I wish to complete my statement. Thereafter, if sufficient time remains, I shall be glad to answer the question the Senator from Minnesota has asked.

Mr. President, my amendment proposes this: In the commercial corn area we have had consistently, year in and year out, approximately 56 million acres—or, to be more exact, 56,400,000 acres—planted to corn. Only a small fraction of the corn from that corn acreage was put under seal and received the benefits of the support price.

I propose to be realistic. In these amendments, I propose that, roughly, we establish a farm base acreage, which is the average acreage planted for the past 3 years in the commercial corn area. Let us make that the corn base acreage. Every farmer in the commercial corn area who stays within his farm base acreage will be eligible to receive the supports. Being in compliance on his farm base acreage—which is, in effect, an allotment, but is a realistic one, recognizing the traditional planted acres—he is eligible to receive the supports. Furthermore—and this is unique, insofar as the situation today is concerned—while we have permitted cotton farmers, wheat farmers, peanut farmers, and rice farmers voluntarily to put acres into the soil bank, I propose that, as a part of the procedure in return for the receipt of price supports by a corn farmer who stays within his farm base acreage, he must put 15 percent of his available acres into the acreage reserve or the conservation reserve—for which, of course, he will receive ample pay.

The Senator from Minnesota has asked me what the support price would be. As the situation now stands, and with elimination of 90 percent of parity, the support price has been announced

by the Secretary of Agriculture as 81 percent of parity—which will be approximately \$1.40 a bushel, or slightly more than that, in the case of corn.

What will happen is this—and I shall use this illustration, as I did yesterday evening: Consider, for instance, a farm in the commercial corn area which has an historic acreage base, considering rotation, of 100 acres. If the farmer operating that farm were to comply with the law as it would be under the bill as reported by the Committee on Agriculture and Forestry, and if he were to meet the requirement of the 43 million acres allocation, he would have to cut his acreage below 75, this year. Inasmuch as he could not live with the 88 acres he was allowed last year, how could he live with less than 75 acres, in the case of a diversified farming operation?

Mr. President, bear in mind that he must be in compliance, or else he cannot get supports or put acres in the soil bank. The same farm has a base of 100 acres. If the farmer overplants that base, he will not be eligible to receive price supports, or will not be eligible to contribute to the soil bank. But if he stays within his farm base acreage, he will receive price supports at \$1.40 a bushel, or slightly more. That situation will extend throughout the commercial corn area, and will apply to every farmer who keeps within this average, normal, historic base.

In effect, that will make available to the corn farmer approximately from 25 percent to 28 percent more actual cash support value than he possibly could receive under the present law or if the bill as reported from the Committee on Agriculture and Forestry became law without the inclusion of my amendments.

Mr. THYE. Madam President, will the Senator from Iowa yield to me at this time?

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. HICKENLOOPER. I am glad to yield, Madam President.

Mr. THYE. What percentage of support would a producer who complied with the provisions of the amendment of the Senator from Iowa receive?

Mr. HICKENLOOPER. He would receive 81 percent.

Mr. THYE. That is, as announced for the calendar year 1956 and this year?

Mr. HICKENLOOPER. For 1956.

Mr. THYE. So he would receive 81 percent on his quota; and his quota would be how many acres of the 100 acres?

Mr. HICKENLOOPER. His quota would be the entire farm base acreage.

Mr. THYE. That would be 100 acres?

Mr. HICKENLOOPER. Yes; 100 acres. Bear in mind that he would have to put 15 percent of the tillable acres or the crop-producing acres into either the acreage reserve or the conservation reserve.

Mr. THYE. Yes.

Mr. HICKENLOOPER. That would be 15 percent of the 100 acres.

As I stated last night, for that purpose he could take 5 acres out of corn pro-

duction and 10 acres out of the production of beans; or he could decide not to take any acres out of the production of corn, and he could take the entire 15 acres out of the production of soil-depleting crops. My amendment would allow him to plan his operations. If he wished to plant 100 acres to corn, he could do so; but then he would have to take 15 acres out of the production of other grain-producing or feed-producing crops.

Mr. THYE. That proposal, Madam President, is a realistic approach to solving the problem as regards corn acreage, and also to get more acres into the soil bank.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. And the farmer would receive the identical supports, namely, 81 percent—

Mr. HICKENLOOPER. Absolutely.

Mr. THYE. That have been announced by the Secretary of Agriculture for the calendar year 1956; and the 81 percent would be only on the farmer's proportionate share of the 43 million acres.

Mr. HICKENLOOPER. Yes; without the adoption of my amendment.

Mr. THYE. Yes; without the adoption of the amendment of the Senator from Iowa.

Mr. HICKENLOOPER. Yes.

Mr. THYE. But if the amendment of the Senator from Iowa is adopted, the farmer will be able to increase to his historical corn base.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. And then he will comply with the 15 percent retirement of acres to the soil bank.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. Madam President, the amendment of the Senator from Iowa is a good one.

Mr. HICKENLOOPER. The object is to take out of production feed-producing acres. As I have pointed out, this is the only area where the amendment will be compulsory. It will be voluntary—and, of course, there is a good reason for that provision—in the case of cotton; we do not compel the cotton farmers to put any acres in the soil bank. We do not compel the wheat farmers to put any acres in the soil bank. The same applies to the farmers who produce the other basics.

The reason for that provision is that when those farmers voted their own quotas, last year, in the case of these products the question of a mandatory contribution was not included in the question at issue; and the committee was unanimous in saying that one does not change the rules when a runner is between second base and third base. So we do not now attempt to impose compulsion on those farmers, inasmuch as compulsion was not a part of what they voted on last year.

I hope that next year we can have a mandatory contribution in the case of all these crops. However, the corn farmers are willing "to take it" this year; and we are willing to impose that upon them.

Mr. MUNDT. Madam President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. MUNDT. I think the Senator from Iowa has a very intriguing and appealing amendment. It was discussed at great length in committee. Even before the time when we knew what was going to be the fate of the 90 percent price support, there were arguments both pro and con with respect to the Hickenlooper amendment. The 90 percent feature having been defeated, it seems to me that the adoption of the Hickenlooper amendment becomes almost mandatory if we are to protect the corn farmer under the prevailing situation. There is no future for him if he must take acreage control with the reduction of price supports. As a consequence there will be noncompliance, and more acres of corn will be produced, in my opinion, than would now be the case without the Hickenlooper amendment.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. HICKENLOOPER. Madam President, I yield myself five more minutes.

I agree in general with the Senator from South Dakota. However, whether the 90 percent feature was defeated or rejected would make no difference. This amendment would be necessary because of the acreage reduction in the present law, which would bring the acreage down to 43 million acres, and make it impossible to live with in the Corn Belt.

Mr. MUNDT. The difference being that without the Hickenlooper amendment, had the 90 percent remained in the bill, he would have received 90 percent, whereas now he will receive only 81 percent.

Mr. HICKENLOOPER. Less than 20 percent of the farmers would have received it.

Mr. MUNDT. Those who complied would receive it.

Mr. HICKENLOOPER. Those who sealed would receive it. In the Senator's own State, only about 18 percent of the corn in the commercial corn area actually went to seal, and in my State only 23 percent of the corn in the commercial corn area actually went to seal. Those producers were the only ones who got the benefit of 90 percent, or any other support price.

Mr. MUNDT. On page 6 of the Senator's amendment there is a provision with respect to a referendum among the farmers at the end of the year.

Mr. HICKENLOOPER. Yes.

Mr. MUNDT. I believe that for this year the 81 percent price support, without the acreage reduction, may prove of great benefit to the corn farming areas in comparison with our other alternative. What disturbs me is what will happen after this year's crop. Will the Senator explain briefly the choices which will confront the farmer at that time?

Mr. HICKENLOOPER. I propose a referendum not later than December 15, 1956. If in that referendum, two-thirds of the corn farmers approve the so-called farm base acreage proposal, it will continue. If they do not approve—which means that they disapprove of the farm

base acreage, which I do not think they will do; and I believe they will approve it wholeheartedly—but if they do not approve, that will mean that they are disapproving allocations and allotments.

Mr. MUNDT. At what price would they have their corn supported in the event they should disapprove in the referendum of the Hickenlooper plan?

Mr. HICKENLOOPER. If they approve the corn base acreage allotments, the supports will remain at from 75 to 90 percent, discretionary on the part of the Secretary. If they disapprove allotments, it means that they disapprove of the program, and then price supports will be completely discretionary on the part of the Secretary, without limit or without ceiling.

Mr. MUNDT. But still from 75 to 90 percent?

Mr. HICKENLOOPER. No. It would not be from 75 to 90 percent. It would be at any figure the Secretary might choose.

As the amendment provides, it is to be at such a level as the Secretary determines will assist producers in marketing corn in the normal channels of trade, but not encourage the uneconomic production of corn—that is, if they approve allocated acres, or farm base acres.

There will be a session of the Senate beginning in January. By that time we shall know more about how this plan will work. The farmers will have an opportunity to vote. This is the first time there has been any kind of referendum. It follows the general pattern of the referendums with relation to the other basic crops, with respect to which the farmers have an opportunity to approve or disapprove the principle of base allotments.

Mr. MUNDT. Under the circumstances which now prevail in view of the recent roll call vote it seems to me that any Senator representing a corn producer must be necessity now vote for this amendment, to give the corn producer a fair break for this year and an opportunity for expanded income in 1956.

Mr. CAPEHART. Madam President, will the Senator yield?

Mr. HICKENLOOPER. I am glad to yield for a question. My time has almost expired.

Mr. CAPEHART. I think this amendment is excellent. I shall vote for it. I think it is the one answer to the corn situation. I know that our farmers in Indiana will be enthusiastic about it. My best judgment, as a corn farmer, is that it will do the job of reducing the surplus and bringing the price of corn in the open market up to where it belongs.

The PRESIDING OFFICER. The time of the Senator from Iowa has again expired.

Mr. HICKENLOOPER. Madam President I yield myself one more minute.

This amendment would not tend to increase the average corn acreage planted in the commercial corn area by a single acre, because it fixes the corn base at what we calculate on the basis of the average of the past 3 years, or approximately 56,400,000 acres. That cannot be exceeded. No farmer can exceed his farm base acreage and receive

support. So it would not tend to increase the corn acreage.

Mr. CURTIS rose.

Mr. HICKENLOOPER. I think my minute is about up. If I have time, I am glad to yield to the Senator from Nebraska.

Mr. CURTIS. Take the case of a corn farmer—

Mr. HICKENLOOPER. I will yield 5 minutes to the Senator from Nebraska.

Mr. CURTIS. I merely wish to ask a question.

Take the case of a corn farmer who planted within his allotment in 1955, and assume that the Senator's amendment is agreed to and the farmer plants within his allotment in 1956.

Mr. HICKENLOOPER. Does the Senator mean his farm base acreage?

Mr. CURTIS. Will he receive more money for his crop under the Senator's amendment at the flexible rate than he would by planting within his allotment under the bill as it came from the committee?

Mr. HICKENLOOPER. He will receive between 20 and 28 percent more under the price support than he possibly could under the unrealistic situation which would exist if my amendment were not adopted, because if my amendment is not approved only about one-fourth of the farmers can live within their allotments, so they will disregard them. If my amendment is adopted, more nearly 100 percent of the farmers in the Corn Belt can live within their base acreage, which they will have anyway on their farms.

Mr. CURTIS. I am talking about the farmer who lives within his allotment, under the Senator's proposal, with the same production per acre. Would he receive more money than if he operated under the bill as it came from the committee?

Mr. HICKENLOOPER. Indeed.

Mr. CURTIS. With that number of acres and with the support price provided by the committee—

Mr. HICKENLOOPER. With the bill as it comes from the committee, he would have to operate with further reduced acreage this year. Assuming a 100-acre base, he would have to cut to 75 acres. If he received 90 percent on 75 acres, he would not get as much money as he would get if he received 81 percent on 90 acres, if he elected to put 10 acres in the acreage reserve.

Mr. CURTIS. The corn acreage for this year has already been announced.

Mr. HICKENLOOPER. Yes.

Mr. CURTIS. Should the Senator's proposal become law before the time to plant corn, it will mean an increase in the acreage allotment.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. HICKENLOOPER. Madam President, I yield myself 1 additional minute.

If a farmer should accept the further reduced acreage and this amendment should be adopted, it would mean that he would go back to his normal average farm base acreage, so he would have more acres.

Mr. CURTIS. Would he have more acres than he would have under the present acreage announcement?

Mr. HICKENLOOPER. Yes; but the farmer on the family farm who had overplanted would be brought down to the normal farm acreage base.

Mr. ELLENDER. Madam President, I yield myself 10 minutes. As chairman of the Committee on Agriculture and Forestry, I am opposed to the pending amendment in its present form. Several amendments relating to corn were presented to the committee during its deliberations, and every time a proposal of this or similar nature was offered the committee voted it down. A proposal was made by the distinguished Senator from Minnesota [Mr. HUMPHREY] to maintain feasible corn acreage allotments so as to place corn in a category similar to cotton, wheat, peanuts, and other basic crops. In the case of corn, the farmers do not vote on whether or not they should have acreage allotments. The Secretary of Agriculture fixes the number of acres to be planted within the commercial corn area, without referring the matter to the corn producers for approval by referendum vote.

Last year the Secretary fixed a minimum of forty-nine-million-plus acres to be planted to corn. As I recall, if a farmer in the Corn Belt complied with his acreage allotments, he would receive, by virtue of that compliance, a price-support loan at 87 percent of parity.

This year, in accordance with the law, as it is written, the Secretary of Agriculture announced an acreage allotment for corn of about forty-three-million-plus acres, with a support price of 81 percent of parity.

What would the pending amendment do? Instead of establishing the acreage allotment for corn at a realistic level, the amendment seeks to permit the commercial corn area to be allotted a minimum of about 57 million acres. That amount of acreage represents no reduction whatsoever from prior plantings—it is about the average that has been planted in the corn area for the past 5 years.

What else would the amendment do? The support price that was announced for this year, 81 percent of parity, would remain available for all of the corn to be produced from the 57 million acres.

My friend from Iowa states that the amendment would give an opportunity to the corn grower to get into the soil-bank program by forcing him to put 15 percent of his acres either into the acreage reserve or the conservation reserve.

What the amendment does is to permit the corn farmers in the commercial area of the United States to plant 57 million acres of corn if they desire, and to take their 15-percent reduction by participating in the conservation reserve program. It does not guarantee any reduction in the corn acres, because the portion of the farmer's land he can utilize and put into the soil bank need not be his allotted corn acres.

Therefore, as I see it, the corn grower will get a bonanza. He will be able to plant as many acres of corn as he has planted in the past, and the average for

the last 7 or 8 or 10 years has been 56 million to 57 million acres per year.

Not only does the amendment cancel out the allotment made by the Secretary for this year, not only does it increase it by 13 million acres, but it also gives to the corn growers the opportunity to continue the program indefinitely if they see fit to do so. If the amendment fails, they then go back to the present law, which would mean a return to the present program, about which they are complaining.

Mr. HICKENLOOPER. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I merely call attention to the fact that as the situation exists, corn is being definitely discriminated against. If the formula for supported acres were applied to wheat, for instance, which has a protected floor in the law of 55 million acres, wheat would have 18,580,000 acres.

If it were applied to upland cotton, which is protected at 17,391,000 acres in the law, there would be 6,690,000 acres of cotton.

Mr. ELLENDER. I beg the Senator's pardon. The base cotton limitation is not figured on an acreage basis, but on a minimum number of bales. So far as wheat is concerned, there is a limitation of 55 million acres, but the acreage that has been planted by the farmers in the commercial wheat area in the past has been as high as 82 million acres. The overall average has been about 65 million to 66 million acres per year. Today, the total national wheat allotment is 55 million acres. Insofar as the wheat farmer is concerned, if he is to come into the acreage-reserve program, he must take the acres put into that phase of the soil bank from the 55 million acres. In the corn area, under this amendment, acres put in the acreage reserve would be deducted from a historic planting of 56 to 57 million acres—which is about the total acreage allotment for the commercial corn area envisioned by the amendment. The commercial corn area would be able to have its cake and eat it too, so to speak.

I cannot see anything fair in that. I go back to what I said when I was interrupted—and I do not mind being interrupted—that, under the pending amendment, if the corn farmers in the commercial corn area of this Nation are desirous of having discretionary price supports without acreage allotments for 1957, they can vote for such a program in a referendum to be conducted by the Secretary. If they fail to vote for such a program next year, under the amendment, as I understand the situation, they would go back to the same law that is now on the statute books, and which they say does not permit them to take advantage of the soil-bank program.

When the matter was voted on in committee I told my good friend from Iowa [Mr. HICKENLOOPER] and my good friend the Senator from Illinois [Mr. DIRKSEN] that if it were possible to get a realistic number of acres as a base, not the historical plantings, we might be able to get together on something. However, if the corn people are to be permitted to plant as many acres as they have had in the

past and then receive a support price on production from that acreage for this year at 81 percent of parity, I do not believe it is right.

The program called for in this amendment is an injustice to the wheat grower; as a matter of fact, it is an injustice to every producer of the basic commodities, other than corn.

Mr. HICKENLOOPER. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. HICKENLOOPER. The corn farmer is being discriminated against now, and the wheat farmer is getting support for 36 million acres more than is necessary under the formula. The cotton farmer is getting support for 10,700,000 acres more than the formula. The corn farmer is asking only for support for the normally usable nonsurplus corn. The corn farmers are not producing great surpluses of corn.

Mr. ELLENDER. The minimum acreage for the commercial corn area called for in the Senator's amendment is the average annual acreage planted during the past 10 years, is it not?

Mr. HICKENLOOPER. That is correct.

Mr. ELLENDER. In other words, with respect to the wheat grower, he must start with a national acreage allotment of 55 million acres and take some of those allotted acres and put them into the acreage reserve. Meanwhile, the pending amendment would permit the corn grower to start out with the average amount of acreage he has planted each year over the past 10 years—55 million acres. Then, he makes his contribution to the soil bank from that amount of acreage. We say to the corn grower, "If you want to put up to 15 percent of that amount into the acreage reserve, you may do so, but you do not have to do it."

The amendment provides that an acreage equal to 15 percent of his base acreage must go into the soil bank. He still has an option of putting either corn-allotment acreage in the acreage reserve or other tilled land in the conservation reserve.

It strikes me that if the Senator would propose a minimum acreage allotment which is reasonable, say, 50 million acres, and start from there and require the placing of allotted corn acres into the acreage reserve, that might be reasonable. Yet, even if we did that, we would still be giving to the corn farmer a better deal than has been given to the wheat grower, the peanut grower, or in fact, any producers of the other basic commodities.

Mr. HICKENLOOPER. The program did not work. The farmers could not live with the situation. They are seeding 56½ million acres of corn. We do not have a great surplus. I should like to make them eligible to put 15 percent of their acreage into the soil bank.

Mr. ELLENDER. I am willing to do so, and I want to help the corn producers to do so; but let me suggest to the Senator that he not place an acreage floor on corn which is the equivalent of the

normal annual planted acreage in the commercial corn area.

The percentage of allotted acres in compliance last year was 54.2.

Mr. YOUNG. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. Is it not true that last year the wheat farmers brought their production down to approximately the amount of our domestic needs plus exports? The surplus wheat over these needs was 10 million or 15 million bushels.

Mr. ELLENDER. That is correct. The issue I am trying to place before the Senate is that there should be a provision in the amendment to force a certain percentage of the allotted corn acreage to go into the acreage reserve.

Mr. YOUNG. I think any wheat farmer would be very happy to have his normal wheat acreage restored as is proposed here for corn and in addition a raise in price support levels.

Mr. RUSSELL. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. RUSSELL. Am I correct in my recollection that corn is the only basic commodity which has never been under marketing quotas?

Mr. ELLENDER. That is correct.

Mr. RUSSELL. There was a provision in the law relating to it, but that was eliminated.

Mr. ELLENDER. That is correct. Corn has always had a high standing in the price-support program. This is an effort to make them stand even higher.

Mr. RUSSELL. One farmer can plant corn under loan and his neighbor can plant all he wants to, and suffer no penalty whatever for it, whereas the producers of other basic commodities are subjected to very severe penalties if they overplant by as much as half an acre.

Mr. ELLENDER. The Senator is correct.

Mr. RUSSELL. I think this is a very unfair proposition. It means taking money away from the producers of other basic commodities who have already been cut to the bone on their marketing quotas and are severely penalized if they exceed them.

Mr. ELLENDER. That is what I intended to emphasize in the statement I have just made.

Madam President, I wish to reiterate that I believe the majority of the members of the Senate Committee on Agriculture and Forestry would cheerfully join Senators from the corn-producing States in permitting their farmers to participate in the soil bank if they should offer a reasonable amendment. If we could make the minimum acreage 50 million acres, or even 51 million or 52 million, and then require that a certain percentage of it be put into the acreage reserve, that might be reasonable. But I do not think it is equitable to offer an amendment providing that corn producers can plant the same number of acres they have been planting for the past 10 years, on an average, and receive the same support price—81 percent of parity—as if they reduced their acreage to 43 million acres and then in addition

let them get by without being required to put an acre into the acreage reserve program.

I shall oppose the amendment, and I believe the majority of the members of the Agriculture Committee will oppose it, as well. I do believe that if an effort were made to make the base acreage realistic, the amendment would have wide support. Forty-nine million acres, or even 51 million acres, would be all right in my opinion. But it would be unfair to allow the corn producer to plant the same acreage they have been planting for the past 10 years, on an average, and then not force them to go into the acreage reserve phase of the soil-bank program. I do not believe that would be fair.

Mr. CASE of South Dakota. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Does the Senator agree that the 43 million acres proposed for this year is not realistic?

Mr. ELLENDER. I so stated in committee. I believe the Senator from Minnesota [Mr. HUMPHREY] proposed an amendment to cancel out the 43-million-acre allotment and make it 49 million acres-plus.

Mr. HUMPHREY. Last year's quota.

Mr. ELLENDER. Yes.

Mr. CASE of South Dakota. I may say that in my State the corn program simply is not working. There has been almost an even 3 million acres planted every year, regardless of what the support has been. To go down to 2,200,000, which would be our share under the 43 million figure, would simply mean that we would not have compliance by the corn farmers this year. I think the Senator quoted a figure of 54 percent; did he not?

Mr. ELLENDER. That was for the commercial areas.

Mr. CASE of South Dakota. In my State the compliance was about 40 percent 2 years ago and possibly 44 percent last year. But the program is not working and the result is that there is just as much corn being planted every year in South Dakota as there has been in the past 5 years. They try to break up the acreage, but nothing is being accomplished in the way of reduction of production.

All the Secretary has to do is to announce the acreage allotment of so many acres, and the farmer must comply with that acreage allotment in order to borrow the support price previously fixed.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Madam President, I yield 15 minutes to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Madam President, as the Senator from Louisiana, who is the chairman of the Committee on Agriculture and Forestry, has said, this proposal was discussed in considerable detail in the Committee on Agriculture and Forestry. It is a very tempting amendment, particularly to Senators who are

from corn States. But also it is the key to Pandora's box of trouble.

I wish the Senator from Georgia [Mr. RUSSELL] were here at this moment—he had to step off the floor—because in his comments he put his finger upon what can happen if we proceed in this kind of expedient manner.

If we are to take allotments off corn, and if we are to let corn farmers seal any amount of corn they want to seal, and, at the same time, if we impose allotments upon other producers, then there is no reason at all why we should not take the props off every allotment in the bill.

I say to Senators from the cotton States if the amendment be agreed to, there will be no reason why allotments should not be removed from cotton, and no reason why they should not be removed from wheat.

Let us consider the amendment a little. Where did the amendment come from? How did it get administration support? A few weeks ago the administration was not sure it was in support of the proposal. But now letters have been revealed indicating that the administration supports the proposal.

I want my colleagues to take note of one thing. This is a 1-year amendment, for the year 1956. Not only will corn be harvested in some parts of our country around September and October, but also votes will be harvested in 1956. This is an election-package amendment. Let us call it what it is. After 1956 the whole roof can fall in on our corn farmers, because the amendment provides that for 1956 there will be 56 million acres of corn, which is the national historical base.

Each farmer has his historical base of corn acreage, provided he puts 15 percent of his total cultivated acreage into a conservation reserve or acreage reserve. This is the goal for any farmer under the acreage-conservation reserve.

So what is being said in the amendment, very frankly, is this: "Mr. Corn Farmer, plant your corn, fertilize your fields, double your production, and you will be given \$1.40 a bushel on all the acreage you have ever had as a historical base for corn."

As a Senator from Minnesota, I suppose I ought to say this is a wonderful idea. It will mean that the corn farmers in southern Minnesota will be able to plant all they can get on their acres, fertilize the land, use the best seeds, and be able to seal all of it, if they want to do so, at \$1.40 a bushel. If this is the way it is desired to run a farm program, I want to know it.

Madam President, the amendment is nothing more or less than an actual taking of money out of the Federal Treasury in an election year in an effort to do what a bill introduced by the junior Senator from Oregon [Mr. NEUBERGER] proposes to do, except that the amendment is not a bipartisan one. The bill introduced by the Senator from Oregon provides that a certain amount of money shall be taken from the Treasury for the benefit of each political party. The amendment offered by the Senator

from Iowa [Mr. HICKENLOOPER] provides that the money shall be taken out of the Treasury for the benefit of one political party.

I have quit being a milquetoast about discussing amendments. If this amendment shall be agreed to, we shall open up and complete the destruction of the farm price-support program.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. RUSSELL. I rose a moment ago when the Senator said the amendment would benefit the farmers of his State.

Mr. HUMPHREY. For 1 year.

Mr. RUSSELL. In 1956. But over the long range, it not only would destroy any productive farm program; it would magnify all the errors which have been committed with respect to all the other commodities. A farm program could not possibly be maintained in this country.

Mr. HUMPHREY. The Senator is absolutely correct, because the section on page 6 reads:

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

What is the meaning of all that legislative gobbledygook? It means that in 1956, by December 15, a farmer will have to decide whether he wants to continue for the crop year 1957 on a 75 percent to 90 percent of parity basis under allotments, or whether he wants to have the range from 0 to 90.

There will be built up under this amendment such confounded surpluses that there will be only one choice in 1957, even if allotments are given, and that is to cut the corn acreage back to 30 million acres. The Secretary will have to cut it back. It is not easy to talk about this amendment in the light of the bonanza it offers for 1 year.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BARKLEY. In connection with the possible cut, would the corn farmers have to cut the quota, or would they simply be cut back by the Secretary of Agriculture?

Mr. HUMPHREY. They would simply be cut back. It is interesting to note

that the Secretary of Agriculture this year announced the corn allotment acreage of 43 million acres at just about the time the amendment came up for discussion. That is what I call rigging the deck or stacking the deck. In other words, the corn allotment program has been made so stringent at 43 million acres under allotments that of course it will not work.

Mr. BARKLEY. I do not know what the Senator means by "rigging the deck." I am not familiar with that language.

Mr. HUMPHREY. That language is just as confusing as the amendment.

Mr. BARKLEY. Whatever it means, it means the farmer is rigged without his own consent.

Mr. HUMPHREY. Yes; it means there is a joker in the deck.

Mr. BARKLEY. I believe I now get the meaning of the Senator's statement.

Mr. HUMPHREY. I am happy to be able to explain it in more definite and precise terms. If I was not able to explain it to the Senator a moment ago—indeed, my explanation was very poor—I apologize.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CASE of South Dakota. Does the Senator from Minnesota agree that a 43 million-acre allotment simply will not work?

Mr. HUMPHREY. I know it will not work. I know it is not justified. I know the Secretary of Agriculture announced 43 million acres, because he did not want it to work.

Mr. CASE of South Dakota. Then, what is the purpose of the proposal?

Mr. HUMPHREY. The answer is that there should be 90 percent for corn, which the Senate just rejected. Second, there should be at least 49 million acres of corn, which is a reasonable allotment. I took down the words of the Senator from Iowa when he said, "We are not producing surpluses." That is true; we are not. We are not producing surpluses of corn. We cannot have it both ways.

The Secretary of Agriculture says in public that we have a monstrous surplus of corn. But his agents came before the Committee on Agriculture and Forestry and said we did not have enough corn, even, for a 350-million bushel set-aside.

The Senator from Iowa said we are not producing surpluses. He said further that 56 million acres will produce normal, usable quantities of corn. If 56 million acres will produce normal, usable quantities of corn, why did the Secretary of Agriculture cut back the acres for corn production, except for reasons of politics?

I do not mind the administration buying the election; but if they are going to buy it, I want them to do it on all commodities. Let them stop discriminating.

Mr. President, this is an election amendment.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DANIEL. Does the Senator from Minnesota see any reason why corn

should receive the treatment advocated by the Senator from Iowa, without similar treatment being given to the feed grains, such as grain sorghum?

Mr. HUMPHREY. None at all. I am hoping the Senator from Texas will offer his amendment, which includes some controls, as a substitute amendment, and which includes the word "corn."

Mr. DANIEL. The Senator from Minnesota knows that on behalf of myself, my colleague from Texas [Mr. JOHNSON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from North Dakota [Mr. YOUNG], and the Senator from New Mexico [Mr. CHAVEZ], I have offered an amendment with respect to feed grains, which would provide for 90-percent supports. I suppose, in view of what has already happened, the support price will have to be lowered.

Mr. HUMPHREY. I suggest the Senator make it 75 to 90.

Mr. DANIEL. Or 80 percent for this year at least. Our amendment provides that farmers who participate in this program must lay out at least 20 percent of their cultivated acreage.

Mr. HUMPHREY. That is correct.

Mr. DANIEL. If the same thing applied to corn, does not the Senator think that would accomplish what we are working for?

Mr. HUMPHREY. Insofar as a workable proposal is concerned, the proposal of the Senator from Texas is much better. I think the soundest proposal was the one we started off with, but once we chop off the head of the bill, and we start chipping off parts of the body, we are not going to make the torso look better by chopping off an arm.

Let me state what we have before us. The Senator from Iowa has said the corn program did not work well last year. One of the main reasons why the corn program did not work well last year was that there were so many bushels of feed corn produced, because we did not have a sensible farm program, and there was competition from cheap feed grains, which lowered the price of corn. Furthermore, if we make corn production unlimited, we shall drive feed grain prices down even more, and there will be corn and feed grains available for expanded hog and livestock production, and there will be a greater supply of many perishable commodities, hogs, and other livestock.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DANIEL. If the amendment on corn is defeated, I wish to say to the Senator that I intend, inasmuch as the cosponsors of the proposal are willing, to include the word "corn" in the amendment with respect to feed grains, and to write into the amendment language which will provide a program to enable farmers voluntarily to retire additional acreage in order to make the program work as to oats, rye, barley, and feed grains.

Mr. HUMPHREY. That is an amendment which I should be pleased to support, and one which I hope the Senator will offer, because I think we ought to

vote the pending amendment down, unless we want to see commodity after commodity destroyed insofar as effective production controls and an effective price support program are concerned.

Mr. President, I am utterly shocked by the unprincipled methods being used by the administration on the farm bill. I want to review very briefly what the administration has been saying. It has been talking about great surpluses. It has been saying that we need to bring supply into balance with demand. Administration spokesmen have accused everybody in the country of doing something wrong except themselves. I suggest one improvement in this administration: "Go take a look in the mirror and see who the culprit is."

This particular administration simply says the historical base of 56 million acres shall be available for planting corn, and the acreage reserve sections of the soil bank shall be available to the 56 million acres.

The pending amendment simply provides that farmers shall be given open invitation to plant, plant, and plant for 1 year, and fertilize, fertilize, and fertilize for 1 year, and after the 1 year, after certain persons have gotten back into the White House and into the Congress, then, Mr. Farmer, beware. Beware of these—well, I like the Greeks too well, so I cannot use that quotation—beware of these Republicans bearing gifts. Beware of this Trojan horse. Beware of the effort to mutilate a farm program. It has already been hacked into small bits—at least a part of the program has been—and if we want to destroy the whole program, all we have to do is do it commodity by commodity. I have worked too hard for a farm program, and believe in it too strongly, to let that happen.

In committee, while some of us disagreed on price support levels—and we had our arguments—the same ones who disagreed on price-support levels surely recognized that, if we were to have a price support program, there had to be controls unless we were going to provide supports ranging from 0 to 90. But when support levels are set at between 75 and 90 percent, especially if one believes that 90 percent support prices are incentives for production, then without controls we shall only invite economic trouble and production surpluses.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Will the Senator yield to me 2 additional minutes?

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I am deeply concerned that we find ourselves trying to legislate on commodities year by year. I considered a 2-year extension in title I as a basic minimum. No farmer can plan the use of his land on a year-by-year basis. No farmer can plan long-term operations of his farm on a year-by-year basis. He buys machinery, constructs buildings, and takes long-term loans. He has to be able to look ahead a little and see what the price structure may be.

The particular amendment now before the Senate simply says that for 1956 certain farmers are to be treated in what appears to be a rather generous way. Of course, what it really says is that we are going to lower price support from 90 percent by 10 or 9 percent, but the farmers are going to be given more acreage to plant.

Mr. President, that will only redouble and only aggravate what this administration says is the No. 1 problem—surpluses.

I want to say to my friends of the fourth estate that this administration stands guilty of duplicity, hypocrisy, and political connivance of the worst kind. The administration has told the American people for years that we have surpluses, and that surpluses are destroying agriculture and making the agricultural situation unbearable. Then the administration backs a proposal that will make surpluses mount up like the Alps. Anyone who can vote for the amendment can do so for only one reason, namely, that he believes that for 1 year, in order to get over the election hump, anything goes—anything goes.

I conclude by saying if there is one lobby that needs to be investigated by the Congress, it is the executive branch. Indeed it needs to be investigated. I have never seen such deals, such slick deals. Flexible price supports price supports are slippery deals.

Mr. President, I protest this kind of politics on the floor of the Senate, and this kind of an amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

Mr. JOHNSTON of South Carolina. Mr. President—

The PRESIDING OFFICER. Does any Senator yield time to the Senator from South Carolina?

Mr. ELLENDER. I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, in our committee we discussed this particular amendment, and we came to the conclusion that it would not be a good thing to have the farmers concerned turned absolutely loose so far as acreage is concerned, and then receive all the benefits. That would be the effect of the amendment.

Remember, we have already voted so far as 90 percent of parity is concerned, but I wish to call attention to one matter in regard to the cotton. With the gadgets contained in the bill, the price supports will not go from 90 to 85 percent, but from 85 down to 80 percent, in reality. That is what is being done to the cotton farmers of the Nation. We say to the cotton farmers, "Do not agree to any quotas. Do not come in and play the game as farmers of other commodities play it, but we give to you additional benefits that no other commodity has." If we are to start doing that in our farm program, we shall find that there will be a great many headaches. There will be headaches because production will go to extremes.

I hold in my hand a letter calling this particular amendment to my attention. We are not fooling the people

of this Nation with amendments such as this. What does the letter say?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The time of the Senator from South Carolina has expired.

Mr. ELLENDER. Mr. President, I yield 2 additional minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 more minutes.

Mr. JOHNSTON of South Carolina. Mr. President, the letter from Mr. E. H. Agnew, president of the South Carolina Farm Bureau, reads as follows:

SOUTH CAROLINA FARM BUREAU, INC.,
Columbia, S. C., February 29, 1956.
Senator OLIN D. JOHNSTON,
Washington, D. C.

DEAR SENATOR: Enclosed is a copy of the February 27 issue of the American Farm Bureau Official News Letter. We are proud that your picture is not on the front page among the seven leaders listed as fighting for American Farm Bureau legislative proposals at present in the Senate.

Your attention is invited specifically to the front-page lead article, "Illinois Farmers' Rally Brings 11,000 to Protest Farm Bill." Your particular attention is invited to page 34 where this article is marked with reference to the remarks of President Otto Steffey, of the Illinois Farm Bureau, as to what he said to this vast 11,000 throng.

Mr. Steffey says, "There is a provision in the law for a minimum allotment below which acreage of wheat and cotton cannot be cut but there is no such provision regarding corn acreages." Since the law provides only for voluntary acreage allotments, there is no need for minimum allotments because farmers are not compelled to comply. As a matter of fact, corn farmers for the most part disregard allotments any year.

With this in mind, you should ever be conscious of the fact that this whole American Farm Bureau proposed legislative program with respect to support prices and the soil bank is purely a Republican-Farm Bureau coalition deal primarily in the corn belt to the almost total disregard of farmers in other sections of the country.

You will note also that Mr. Steffey says "corn farmers will not participate in such a program"—meaning a marketing quota program.

If the lifting of the corn allotments for 1956 will help to decrease corn surpluses then it is by reason of the fact that corn farmers have traditionally paid no attention to allotments. The real purpose of this deal would be to make every acre of a farm in the corn belt eligible for high payments in the soil bank plan and every other acre not put into the soil bank eligible for the production of corn under support price. If this isn't just about a perfect set-up, I cannot well imagine one. Can you picture every southern cotton farm without acreage allotments for 1956, every acre eligible for high payments under the first provision of the soil bank plan, and cotton eligible for a minimum 75 percent of parity support price with a prospective pledge by the president and the administration of income at least as high as the income from cotton in 1955? This would be a comparable deal to what is proposed by the Republicans and the American Farm Bureau Federation for corn.

Any effort to control the use of diverted acres would not affect corn growers in the commercial corn area for the very reason that they don't have any. If corn farmers, Republicans, and the American Farm Bureau could have their way under their proposed legislative program, any acre put into the soil bank in the commercial corn area would

carry the same weight as acres taken from our small acreage allotments in the cotton belt. It is preposterous to make taking of acres from out little cotton allotments and putting them into the soil bank a prerequisite to eligibility for support price on cotton.

By way of comparison, let us take a 100 acre corn belt farm and a 100 acre cotton farm. In the corn belt, this mandatory provision for 10 percent of the acreage to be put into the soil bank—this would mean 10 acres on a 100-acre farm—then the other 90 acres would be eligible for planting in corn and at the same time having support price. As applied to a 100-acre cotton farm—and the average cotton allotment in South Carolina on a 100-acre farm would be 10 acres or less—under American Farm Bureau proposals 1 acre of our 10-acre cotton allotment would be required to be put in the soil bank in order to qualify for support price. Any other acres on cotton farm put into the soil bank would receive payment at a lesser rate because of a lesser estimated productive value. Cotton allotments are so small now that it is hardly possible to live under existing conditions with small allotment. To be forced to give some of the farm's allotment away as a further condition of eligibility for support price is perfectly preposterous.

Under the provisions of the present law, corn growers have exactly the kind of program that they want. Addition of the soil-bank provisions of the Senate committee bill would round out for them a perfect program. They simply are not satisfied to run their own business and let other peoples business alone, they are determined to run the whole show.

Anything being thrown out as bait for some kind of a compromise to weaken the position of the supporters of the Senate committee bill does not stand to cost the corn belt farmer anything at all. Whatever voting strength, if any, that they may gain by such side-swapping and so-called bait is just so much victory for them because they have nothing whatever to lose and actually they are not giving anything at all to win a vote if they can find one in the Senate.

This is further clear-cut evidence of the facts that I have been relating to you all along—that this whole thing is a Republican midwest corn-farmer deal. If this battle is lost in the Senate, then there is no hope. If supporters of the Senate committee bill win without crippling amendments, then the chance is afforded for this bill, if and when passed by the Senate, to be referred to a Senate-House conference committee for ironing out the differences.

If the Senate committee bill is successfully amended to provide for the type charges being demanded by the Republicans and the American Farm Bureau, then there would be no chance for a conference action but the bill would have to go to the House. Then the chance for any constructive legislation in this field would be out as far as 1956 is concerned—and the Republicans would have won a major victory and sewed up the Midwest vote in 1956 elections.

This would definitely put Democrats on the defensive. I am not one who fears a veto by the President of 90-percent support prices as contained in provisions of the Senate committee bill. All the talk about a Presidential veto, in my humble opinion is no more no less than plain bluff. If the President should veto such a bill, then the Republicans could rightfully be charged with having blocked enactment of any constructive farm legislation at this session in time for 1956. Therefore, the only chance that the Democrats have to put the Republicans on the defensive is to pass in the Senate this Senate committee version of the bill.

South Carolina Farm Bureau members and South Carolina farmers in general are count-

ing upon you standing to the rack and fighting to the last ditch on this deal because it holds the only hope for any decent support prices and farm income from our major cash crop in 1956. Our cotton allotments are already cut to the legal minimum with no hope for any additional and we must live with them. We are simply not in position to live with these allotted acres plus a drastic cut in the price of cotton which would come certainly with a reduction in support prices.

Kindest regards.

Yours sincerely,

E. H. AGNEW,
President.

Mr. President, they realize what is taking place here. The people of the Nation are not fooled when an amendment such as the pending one is pulled out. In my opinion the amendment, if adopted, will open the door for cotton to be turned loose and for wheat to be turned loose and for all the other commodities to be turned loose; and it will also provide for them the various and sundry things provided in the bill at the present time. But as to all the other commodities, those who produce them will be required to abide by their allotments.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I yield 1 minute to the Senator from Maryland [Mr. BEALL].

Mr. BEALL. Mr. President, I ask unanimous consent to have a statement printed at this point in the RECORD; and then I yield back the remainder of the time yielded to me.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

We in Maryland are proud to have our State known as the Free State.

We are also proud of the way in which our citizens live up to the great traditions reflected in that inspiring title.

When we have been threatened with regulations which would stifle our free spirit, we have fought.

We are fighting now.

From all parts of the Free State of Maryland I have received letters and telegrams stating that our freedom-loving farmers want the right to till their own lands without burdensome regulations, restrictions, and redtape.

Every communication has included the same general sentiment—"eliminate the 90 percent rigid support provision from the farm bill."

To date I have not received one single communication from any Free Stater who expressed approval of high, rigid supports.

Many arguments have been offered before this body on both sides of the price-supports issue, but the most eloquent comments on the subject come from the farmers themselves—the practical landowners whose business it is to make a living within the system of free enterprise which they feel is their American birthright.

Here, then, are samples of what the farmers of the Maryland Free State are saying:

W. A. Cooksey, president, and C. E. Wise, Jr., secretary-treasurer, of the Maryland Farm Bureau, Inc.: "We are opposed to section 101 and section 102 that reinstate rigid 90-percent supports on the basic crops. This wartime program, carried through years of

peace, stimulated overproduction and built up the huge surpluses that now depress farm prices."

Herbert R. Hoopes, master of the Maryland State Grange: "Even though I can see the need for something to correct the constantly falling level of farm income, it doesn't make sense to me to go back to the old policy which was at least partly responsible for the mess we are in now."

George C. Slagle, manager-secretary of the Frederick Chamber of Commerce: "The enclosed resolution * * * was unanimously endorsed by the board of directors of the Frederick Chamber of Commerce, Inc. * * * 'That we adhere strictly to a policy of flexible price supports that is dependent upon the supply on hand. Our excess stockpile of commodities on hand at present is a direct result of rigid 90-percent support in the past that was left in effect too long by zealous politicians in a futile effort to help farmers.'"

Ralph W. Ferguson, president, and Robert P. Heavner, secretary-treasurer, of the Allegany County Farm Bureau: "We of the Allegany County Farm Bureau, representing the farmers of our county, ask you to oppose a bill now before you to continue 90 percent rigid price supports."

Edgar A. Kalb, of Woodlawn, Md.: "As chairman of the legislative committee of the Baltimore County Farm Bureau, I have been requested by the members to contact you and ask your support to vote for the elimination of the 90 percent of parity control."

T. Reid Hutchins, president of the Calvert County Farm Bureau: "Calvert County Farm Bureau urges you oppose the 90-percent rigid support provision in new Senate farm bill."

Glenn C. Dudrow, legislative chairman of the Talbot County Farm Bureau: "341 members of the Talbot County Farm Bureau want the 90-percent-parity clause stricken out of the farm bill."

Stanley E. Lankford, Jr., president of the Somerset County Farm Bureau: "Our county farm bureau is unanimously opposed to 90-percent rigid price supports for the next 2 years as proposed in a new farm bill."

J. Herbert Carter, president of the Queen Annes County Farm Bureau: "Request elimination of 90 percent parity from farm bill."

Florence V. Riggs, president of the Associated Women of the Queen Annes County Farm Bureau: "We want flexible supports."

J. H. Shockley, president of the Worcester County Farm Bureau: "We oppose 90 percent of rigid support."

John B. Astle, member of the legislative committee of the Cecil County Farm Bureau: "We urge the elimination of 90 percent parity."

Floyd Buser, chairman of the executive committee of the Allegany County Farm Bureau: "Please vote to eliminate rigid price supports at 90 percent of parity."

George E. Wright, president of the Wicomico County Farm Bureau: "Would appreciate your support for elimination of 90 percent parity."

G. Emerson Bishoff, president of the Garrett County Farm Bureau: "We hope you will vote against rigid price support at 90 percent of parity for farm products."

Edward N. Derr, chairman of the legislative committee of the Carroll County Farm Bureau: "The Carroll County Farm Bureau asks your assistance in opposing the passage of the 90 percent rigid price-support bill."

William O. Coxon, president of the Kent County Farm Bureau, Inc.: "We favor flexible supports."

Philip R. Hogue, chairman of the legislative committee of the Queen Annes County Farm Bureau: "Request elimination of 90 percent parity from farm bill."

Norman Fike, president of the Talbot County Farm Bureau: "Please eliminate the 90-percent clause in the farm bill."

H. Jones Baker, Jr., president of the Howard County Farm Bureau: "Vote for elimination of 90 percent rigid price supports."

Mrs. O. C. Glotfelty, president of the Associated Women of the Garrett County Farm Bureau: "We would like to go on record as favoring flexible price supports."

George A. Stiles, president of the Washington County Farm Bureau: "Please vote against 90 percent rigid price support."

Maxwell Hankins, chairman of the legislative committee of the Harford County Farm Bureau: "Harford County Farm Bureau opposed to rigid price support."

William V. Riggs, president of the Queen Annes County Republican Club: "Eliminate 90 percent of parity from the farm bill."

Letcher L. Colona, vice president of the Maryland State Farm Bureau: "We don't want 90 percent rigid support."

Lloyd Balderston, of Colora: "I am a farmer and realize the economic unsoundness of the continuation or reenactment of a rigid 90 percent parity support price on the three main agricultural crops."

Earl D. Beard, president of the Carroll County Farm Bureau: "Carroll County farmers believe that much of the difficulty farmers face today is due to too high support prices over the past years, and continuing such supports will only make things worse, rather than improving them."

William N. Ensor, Jr., of Manchester: "The 90 percent support program will put all farmers at the mercy of the Government and will certainly eliminate the initiative of free enterprise."

John E. Schell, Jr., of Frederick: "Most of the farmers with whom I have talked now realize that flexibility in support of farm income is essential to a program to successfully reduce the enormous and costly surplus hanging over the market."

Amos E. Reeder, of Boonsboro: "We farmers feel that the rigid price supports of the past are the cause of the mess we are in today."

W. H. Hovermale, of Rohrerstown: "I believe as a farmer and citizen that flexible price supports are more beneficial and economical for all the people."

Richard S. Bilger, of Baltimore County: "I, for one of many, disapprove the 90-percent parity bill. No one other than a vote seeker will vote for more surpluses and greater cost to the taxpayer."

Mary A. Burr, of North East: "There seems to be a lot of clamoring for a return to 90 percent of parity. This may be politically expedient, but certainly high price supports will not solve the farmers' problems."

G. William England, of Rising Sun: "Please eliminate high parity."

F. D. Ziegler, Sr., of Denton: "Oppose 90-percent parity coming up with farm bill."

C. Frank Boyle, of Hillsboro: "Request elimination of 90 percent price supports."

N. E. Kefauver, Jr., of Frederick: "Request vote for elimination of 90 percent rigid price support."

N. B. Wilkinson: "I am very much opposed to high rigid farm support. Obviously, if that was the answer, we would not have a farm problem."

Mr. HICKENLOOPER. Mr. President, I yield 10 minutes to the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. DIRKSEN. Mr. President, the artistic ire and the classic indignation of my friend, the Senator from Minnesota, never cease to entrance me. But I am a little distressed that it would appear that suddenly this bill is to be a political measure. I hope not. There has never been anything partisan about a bushel of corn or a bushel of wheat.

I think Senators on both sides of the aisle are in all earnestness and all sincerity interested in finding a solution to the problem. If we are not, and if we are going to put a political tag on the bill, I suppose we can just cease our labors now, because then I would be rather dubious about the result.

I think it is interesting to consider for a little the genesis of the amendment. I recall that when I came back after a brief, but necessary, absence, I conferred with a number of members of the Committee on Agriculture and Forestry. They indicated to me—certainly it was not in confidence—that the bill, as reported, was deficient insofar as corn was concerned. If any member of the committee with whom I talked would like to disclaim that, I am willing to retract the statement. But I think it was rather well agreed. I recall my conversations with the chairman of the committee. He said, "We shall see if something can be done about corn, because that is a weakness in the bill."

Mr. President, if it is a weakness, by confession, then certainly we are in court and in good order and with clean hands in asking for something for the corn crop and the Corn Belt. No cotton can be raised there, as you, Mr. President, well know, for you live in the Corn Belt, too. No tobacco can be raised there. No peanuts are raised there. Our great problem is the competition we get from feed which is raised on diverted acres in probably 30 States of the Union. That is the reason why we have a corn-hog problem today, and we might as well be realistic about it. Altogether, on both sides of the aisle, we hope to find a solution for the problem.

When I came back, I conferred with the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from North Dakota [Mr. YOUNG]. I talked casually, as I recall, with the Senator from Minnesota [Mr. THYE]. I talked with the chairman of the committee, the distinguished Senator from Louisiana [Mr. ELLENDER]. We hoped that together we could find an answer to this problem.

Mr. President, what is the problem? First, let me say that all of us are interested in the soil bank. I do not know very much about banking, but I know it is not possible to run a bank unless deposits of money are made in it now and then. The operations begin with some capital and surplus; but there must be deposits in the bank, in order to keep it going, because everyone knows that there will be withdrawals.

In the case of the soil bank, dollars are not deposited. Instead, a farmer is told, "Deposit your acres and we will pay you a little interest on them; we will pay you a little sum for depositing your acres in the soil bank." The farmer must be given a little starting point as an incentive. The real problem has been, and the reason why the farmers in the Corn Belt have not complied on many occasions is, that the corn farmer's base was too small as a starting base. I think the chairman of the Committee on Agriculture and Forestry will agree to that.

Mr. ELLENDER. I do.

Mr. DIRKSEN. Mr. President, I wish to be entirely fair. He felt that 43 million acres was too low. He talked about 50 million acres. The amendment provides for the historic acreage, which is 56 million acres. The chairman of the committee is exactly right about that.

I make this suggestion: This amendment could be taken to conference and could be modified there, if that became necessary. But since we have had so small a compliance, it is obvious from the record that our corn farmers have not been willing, thus far, to deposit acres in the soil bank. So, Mr. President, in this bill we seek to give them an incentive.

How shall we do that? If we say to the corn farmer, "You begin with 43 million acres," he cannot do it; he has to have something on which to live. This is a matter of the survival of the farmers, because their taxes are high. So if we say to them, "We will have you begin with an allotment of 43 million acres," they will rebel; they will say, "We cannot make it."

Then, Mr. President, whence are the acres to be deposited in the soil bank to come? As a matter of fact, we would insure the failure of the soil bank and its insolvency from the very word "go," unless we were to give the corn farmers in the 10 or 11 corn-producing States something of an incentive.

I do not know whether they are wedded to 56 million acres. I have not discussed with the Senator from Iowa [Mr. HICKENLOOPER], whether that amount of acreage should be reduced somewhat. But we do know that if the heart of this bill, which is the soil bank, is going to succeed, and if it not going to die by the spectral hand of insolvency, even before the bill can be signed, there must be some incentive.

So we find the members of the committee agreeing that something must be done.

Mr. CARLSON. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I shall yield in a moment.

Mr. President, let us not quarrel too sharply about the 56 million acres. If the conference committee wishes to reduce that amount, perhaps it should be reduced. The Senator from North Dakota [Mr. YOUNG], said that 56 million acres might be too high. I remember that when we discussed the matter at the dinner table, rather recently, we talked about 50 million acres or 51 million acres. I am not wedded to any particular figure.

But if the soil bank is not to go into foreclosure even before it gets underway, then we must be realistic about the matter, and we must have a better starting point, and we must have some incentive for the farmer.

That incentive is all the more necessary, because of the feed competition. The departmental figures will show that the cheap feeds—grain sorghums, barley, and oats—are the equivalent of 800 million bushels of corn. We cannot compete with cheap feed. If we can fatten a hog on grain sorghum, we do not need corn. If we can fatten him on barley, we displace corn. If we can fatten him on ground oats, we displace corn, and the

corn remains. When the corn remains, and the price goes down, we shatter the hog market.

It was said here today that there is no price support on livestock. That is correct. Corn determines what is going to happen to hogs. Anyone familiar with the problem knows that 10 or 11 bushels of corn equals 100 pounds of hog meat. That formula is as old as the Nation. So we get back to corn. It is the largest crop. It is the biggest money crop. It runs more than 3 billion bushels a year. Billions of bushels of corn are fed as grain. To be sure, a little of it gets into industry. A little is used for corn sweeteners in some of the distilleries in the Corn Belt. But corn is essentially a grain crop, to be fed.

So the livestock structure is predicated on corn. And so we get back to where we started—an admitted weakness in the bill, which the committee admitted—rightly so, and in good grace.

I admire the chairman for the candor with which we were able to discuss this question informally, and I salute him for the diligent job he has done on the bill. I know that he sees some benefits for corn, as distinguished from other crops, but I should point out, I think, in all candor, that we have not been on the advantageous end, because by law we set a minimum of 55 million acres for wheat. If wheat had been treated under allotments as corn was treated, wheat would be down to 18 million acres.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG. Is the Senator speaking of domestic needs, or does he include the average export?

Mr. DIRKSEN. This is the entire crop. Minimums were established for rice, cotton, peanuts, and other commodities. There were minimums beyond which we could not go, but we did not set such a minimum for corn.

I ask Senators to be fair. Let us look at the entire problem, and not start pulling it apart in one direction or another, to see whether this commodity or some other commodity is going to get an advantage. I seek only to do the fair thing. Some of these commodities have not been nearly as distressed as corn. That is where most of the protests are coming from.

This is certainly not a political bill. I wish the Senator from Minnesota had not intruded those particular sentiments and continued an attack upon the Secretary of Agriculture. I know of no man in my acquaintance who has greater moral stamina, integrity, and impeccable honor than has the Secretary of Agriculture. He is charged with actions which have a political motif and a sinister political design. I cannot imagine anything that is further from the heart and mind of Ezra Benson than that.

His entire lifetime has been dedicated to agriculture. He started as a youngster. He was a farmer, a farm adviser, and a farm economist at the University of Idaho and in his own State of Utah. He has conferred all over the world with the leading agricultural economists. He became an expert in agricultural exten-

sion work. I have yet to hear a word fall from the lips of the Secretary of Agriculture that would indicate that he was trying to put this great segment of the public upon the political block. I simply do not believe it. Moreover, I think it is entirely unfair to make such charges.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. As I have stated on many occasions, it is not my purpose now, nor was it my purpose when the bill was before the committee for consideration, or during the hearings, to involve this legislation in politics. I want only to do the best thing for our farmers.

Mr. DIRKSEN. The Senator is correct.

Mr. ELLENDER. The Senator says that he is not wedded to the acreage designated, that is, to the 57 million acre base. It is my belief that we might get somewhere if it were possible for us to agree on a reasonable base and, in addition, instead of having the 15 percent to be placed on the soil bank consist of any tilled acreage on the farm, that percentage going into the acreage reserve could be fixed at 8 or 10 percent of that acreage which is planted in corn with any remainder going into the conservation reserve. But I cannot agree to the system of attempting to make it possible for the corn farmers in the commercial corn area to plant the full measure of their historical acreage, and then say to them, "We will support your production at 81 percent of parity, and all you have to do is to put other acreage equal to 15 percent of your base acreage into the conservation reserve." I believe that would discriminate against the producer of other basics. I am hopeful that any corn amendment we may adopt will require that a certain percentage of the base acreage be placed in the acreage reserve, and a certain percentage in the conservation reserve.

Mr. DIRKSEN. On the basis of the overall historic acreage, I presume some figure could be arrived at which would be agreeable.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. HICKENLOOPER. Mr. President, I yield 2 more minutes to the Senator from Illinois.

Mr. ELLENDER. I yield 2 minutes of my time to the Senator from Illinois.

Mr. DIRKSEN. That difference might be adjusted; but so far as the mandatory inclusion of acres is concerned, frankly I think the whole desire has been to get away from the mandate, from compulsion. The soil bank will never be worth a nickel unless it represents acres voluntarily contributed by the farmer. To be sure, there is a fine provision for corn, and for a referendum. That will give the farmer an opportunity to get himself out from under Government control. The farmer wants to stand on his own feet, without feeling the repressive and heavy hand of Government upon him.

So far as the basic figure is concerned, I suppose a figure could be agreed upon. However, I would not wish to be in the position of compelling the farmer to

make a deposit in the soil bank, because if we undertake to compel him, perhaps he will forget to do it, on the ground that he does not like compulsion.

I hope the amendment of the Senator from Iowa will be adopted, because the acreage level can still be modified in conference if it becomes necessary.

Mr. President, I yield back any unused time.

Mr. HICKENLOOPER. Mr. President, does the Senator from Louisiana wish to yield to any other Senator?

Mr. ELLENDER. No.

Mr. HICKENLOOPER. I yield 3 minutes, or as much time as he may require, to my colleague from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. President, the amendment now being considered by the Senate is most important to the farmers of my State. Before commenting on the important provisions of this amendment I would like to say a word of praise for the work done by the Senate Committee on Agriculture. Traditionally the farmer is noted for his hard-working and conscientious qualities. He appreciates those same capabilities demonstrated by the Agriculture Committee of the Senate. After conducting extensive hearings in Washington this committee took to the road to obtain the first-hand opinions of the farmers themselves. Conducting hearings in 17 different cities across the length and breadth of our land they heard witnesses from 47 different States. On the 26th of October last year the committee held hearings in Des Moines, the capital city of Iowa. I am certain the farmers of Iowa were deeply appreciative of the opportunity to appear in front of the distinguished members of the Agriculture Committee. Some of us do not agree with all portions of the bill that was recommended by the Senate committee but certainly none of us will dispute the great industry and devotion to duty displayed by the members of the committee.

In this respect, I am sure my colleagues in the Senate will pardon my understandable pride in the work done on the Agriculture Committee by the senior Senator from Iowa [Mr. HICKENLOOPER]. We are extremely proud of him in Iowa. We are fortunate indeed to have a man so dedicated to serving the farmer, represent Iowa on the Senate Committee on Agriculture.

The amendment offered by my distinguished colleague is, in fact, not a complicated one. The result of the amendment is simply this: in 1956 instead of having the so-called acreage allotments in the Corn Belt for corn acres, we substitute for it a farm-base acreage. This farm-base acreage for the Nation will be the average acreage which has been planted in corn in 1953, 1954, 1955. It will be allotted to counties of the commercial Corn Belt. The county allotment will be distributed to the individual farmer's of each county by giving consideration to good land-use practices and to the individual farmer's actual record of acres planted to corn over the last 5 years. It means we will base participation in the soil bank on the traditional planting base of some-

thing over 56 million acres, instead of the allotment base of approximately 43 million acres.

As I shall indicate, the 43-million-acre allotment base is totally unrealistic as evidenced by the fact that a very small percentage of farmers complied with the allotments last year. With a farm-base acreage of something over 56 million acres as provided in this amendment we will have a plan that can and will be workable and successful. If this amendment is adopted the corn farmer will be required to do two things in order to qualify for price supports in 1956. He must stay within the farm-base acreage and he must put into the soil bank an acreage of tillable cropland equal to 15 percent of his farm-base acreage.

One of the most important provisions of the farm bill now being debated is that portion that deals with the creation of a soil bank. I was particularly happy to see this attack on the farm problem incorporated into the bill. If I may look back for a few moments, I have a vivid recollection of a hasty trip I made from Iowa to Washington on the 7th of May 1954. I was campaigning in Iowa at the time, but I made this special trip to Washington to appear as a witness before the House Committee on Agriculture. I was supporting H. R. 8858, a bill I had introduced in the House providing for the creation of a soil bank. At those hearings I made the following statement:

I believe that this approach to the problem of adjusting farm production to effective demand holds much promise. Certainly it is far better to store fertility in the soil than to produce crops beyond market needs including necessary carryover and then have such surpluses hang over the market as a price-depressing factor that limits farmers' opportunities to get a better income.

I was in favor of the general principles of a soil bank at that time. I am still in favor of these principles. At that time I felt that a soil bank held much promise for the future welfare of the farmer. I feel the same way today. To borrow a few lines from one of the classics of literature I come to praise the soil bank, not to bury it. But at the same time I sincerely believe that if we pass S. 3183 without the vitally important amendments introduced by my distinguished colleague from Iowa, Senator HICKENLOOPER, we will be preaching the funeral sermon for the soil bank as it applies to the midwestern and corn farmer.

We must be extremely careful in constructing the final pattern of the farm bill. From the support that the general outlines of the soil bank plan has received from both sides of the aisle it is very clear that the support is bipartisan and almost uncontested. I think that is a true reflection of the feeling of the Nation's farmers. The overwhelming majority of farmers with whom I have talked in the last several months are in favor of the general provisions. From the day we adjourned last August until we reconvened in January I spent my time traveling the crossroads and paths of Iowa. I found great support of a soil bank. But I am desperately afraid that the present plan as it was recommended by the Senate committee will not and cannot be effective in the Midwest. In

turn this could reflect on the whole idea of a soil bank and the final result might well be the complete repudiation of an idea that many of us believe holds great promise for the American farmer.

I was particularly glad to hear the statement the Senator from Iowa [Mr. HICKENLOOPER] delivered on the floor of the Senate referring to the special problems of the corn farmer. This is not an instance of a particular industry requesting special consideration because of a difficult situation. Corn is not a marketing crop and it should not be treated in the precise manner that the marketing crops are handled. No feasible, working method for enforcing quotas on corn has been developed because corn is largely consumed on the farm itself. As the senior Senator from Iowa recalled, Congress recognized that quotas would not work on corn when it repealed the authority for corn quotas in the Agriculture Act of 1954, passed 2 years ago.

The corn farmer has been through a trying period during the last several years. From 1953 to 1955 millions of acres—17 million of them—were taken out of wheat and cotton production. A lion's share of these acres went into the production of other crops that compete with corn. The result of this development has had most unfortunate effects on the corn farmer. Less corn was used as a feed and corn supplies reached unprecedented heights. Under the formula in the production-adjustment laws for determining the acreage of corn, allotments were forced down from approximately 57 million acres to approximately 50 million acres in 1955. The outlook for this year is even more foreboding. The allotment for 1956 will be approximately 43 million acres.

For several years the acreage planted to corn in the commercial corn producing area has remained relatively stable. I refer to the following table to show how close the total acreage conforms to the traditional 57 million acre corn planting base:

Acreage planted to corn in the 840 counties in the 1956 commercial corn-producing area

Year:	
1946.....	57,679,000
1947.....	55,885,000
1948.....	56,937,000
1949.....	58,426,000
1950.....	53,204,000
1951.....	55,992,000
1952.....	56,059,000
1953.....	57,497,000
1954.....	57,173,000
1955.....	57,209,000

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. HICKENLOOPER. I yield 1 more minute to my colleague.

Mr. MARTIN of Iowa. Mr. President, these acreage allotments have been in effect in the corn area for the last 2 years. Compliance with the allotments has been very low, however. Approximately 60 percent of the corn produced in the Corn Belt last year was produced without regard to the price-support program. This is not surprising. As I have indicated corn is produced largely for

feed so the farmer does not look to market price support when he figures the number of acres he will plant in corn. Also, the farmer realizes that a drastic reduction of corn acreage would mean that corn would surrender its feed market to other crops produced in other areas.

This is a serious problem. The severity of it is increased, however, by the provisions of the soil-bank bill as it was recommended by the Senate committee. Section 215 of S. 3183 provides that no person shall be eligible for payments under the soil-bank program with respect to any farm for any year in which the acreage of any basic agricultural commodity other than wheat on the farm exceeds the farm acreage allotment under title III of the Agricultural Adjustment Act of 1938 as amended, or the wheat acreage on the farm exceeds the larger of the farm wheat under such title or 15 acres. That means the corn farmer must comply with the 43 million total acreage allotment for 1956 in order to qualify for the soil-bank payments. It also means the soil-bank program is doomed to failure in the commercial corn producing area, just as many of the farmers did not comply with the 50 million acreage allotment in 1955. Many more of them will not comply with the estimated acreage allotment for 1956.

A cut from 57 million acres to 43 million acres in 2 years is bad enough. But it is even more severe than it appears on the surface. Thirty-seven counties have been added to the commercial corn producing area and only 2 counties dropped. This means the 43 million acres is not only 13 million less than 2 years ago but it also has to cover an additional 35 counties. The Department of Agriculture tells me that 21,600 acres were dropped but 1,236,750 were added.

I believe the soil bank program will work in Iowa. I believe it will go a long way toward stabilizing farm economy. But it must be given the chance to work. It must be given the opportunity to function. Hinging participation on the compliance to the severely reduced corn acreage allotments in the commercial Corn Belt imposes such a burden on the corn farmer that he will not comply. I sincerely hope the Senate adopts the amendments introduced by my senior colleague, and that the corn farmer of the commercial corn producing area is given the chance he so richly deserves—the chance to be a part of the soil bank program.

Mr. HICKENLOOPER. Mr. President, I yield 3 minutes to the junior Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, it seems to me that what has been said indicates that the bill is inadequate so far as the corn situation is concerned. The chairman of the committee has said that he agrees that the base of 43 million acres is unrealistic. Therefore, the responsibility rests upon the Senate, and possibly upon the Committee on Agriculture and Forestry, to propose something which will meet the situation.

So far as my own State is concerned, I have the figures for 1951 through 1955. During that period of time there have been planted, almost uniformly, 3 million acres of corn each year, regardless of what the allotment has been. Last year the allotment for South Dakota was 2,726,000 acres. Nevertheless, there were planted 3,069,000 acres. That 3-million-acre figure runs right through the years. The corn growers have planted that number of acres each year. They have an investment in the machinery, such as corn pickers, and they must try to meet expenses. If they get a reduction to 2,319,000, as they would under the 43 million total for the country, it would mean that there would be less compliance than there has been.

Last year the compliance was about 44 percent. The point the junior Senator from Iowa [Mr. MARTIN] has just made is one that is worth keeping in mind. If these farmers are forced out of compliance by being unable to live with their corn allotments, they will be denied the benefits of the soil bank program, and the soil bank will be denied the benefit of their compliance. It will mean that at least 70 percent of the corn farmers, and perhaps 80 percent of them, in South Dakota, will not be in compliance and will be subject to whatever additional penalties may be imposed upon them because of that.

I have a host of letters on this subject. The one thought which runs through all of them is that they must have an income of at least \$5,000 a year in order to meet fixed costs and living expenses. They cannot do it if they have a corn acreage reduction such as the 43 million acre allotment which has been indicated by the Secretary of Agriculture.

The facts are simple. The only constructive proposal we have before the Senate to meet the situation is the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

If the committee has something else to suggest, such as a 56-million or 50-million-acre base for the entire country, let them bring it forward. However, in the absence of anything else, the Senate has the responsibility of providing a corn picture with which the farmers can live. Therefore, I hope the amendment will be adopted since nothing else is before us to meet what is admitted to be a real problem by the chairman of the committee. For the solution of the problem we have before us only the amendment offered by the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I yield 2 minutes to the Senator from Kansas.

Mr. CARLSON. Mr. President, I wish to concur in the statement made by the junior Senator from South Dakota [Mr. CASE] regarding the corn situation. Kansas State is not a great corn-growing State. Its corn acreage is only 2 or 2½ million.

In the situation which confronts us we need to work out a program that will be fair and just. I was very much pleased to hear the Senator from Illinois [Mr. DIRKSEN] make the statement that

he felt 43 million acres do not constitute a proper base, and that we should get together on a figure which will be fair and which will be beneficial not only to the soil bank but also to the agricultural program as a whole. I hope something will be worked out, if not on the floor of the Senate, then in the Committee on Agriculture and Forestry.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from South Dakota [Mr. MUNDT.]

Mr. MUNDT. Mr. President, as I stated to the senior Senator from Iowa when he was presenting his amendment in his initial speech, this is an amendment which has been evolved through the thinking of the corn belt and through the deliberations of our committee for well over a month.

The Senator from Iowa [Mr. HICKENLOOPER] presented it in various forms and at different times on the occasion of the committee's consideration of the farm bill. At one time it was defeated by a tie vote in committee. At other times it was defeated by bigger margins. I voted against the alternative corn proposal, and in favor of the 90 percent price supports for corn, although I did it with some reservations and with the statement that if on final analysis and after exploring the situation as it related to the farming of corn in the corn area it could be shown that the corn farmer would get a bigger net income from the Hickenlooper approach than from the language of the bill as we had it incorporated in section 101, before it was eliminated by the recent ye and nay vote, I reserved my right to change my mind.

I went out to South Dakota and consulted with a great many farmers on what was then the issue, which was largely the question of whether they would prefer to have corn supported as we had it in section 101, at 90 percent, with the necessary acreage reductions, or whether, as an alternative, they would prefer to have the 81 percent price support, with the right to farm their full historic corn acreage, which, as I understand, would be about 56 million acres, divided upon the usual basis among the various counties in the various States in the commercial corn area.

I found at that time that there was considerable indecision on the part of the farmers back home on this particular point. We are now, however, confronted with quite a different decision. We are confronted with the fact that by a rollcall vote, which I strenuously opposed and which I continue to think was unwise, section 101 has been deleted from the bill. We no longer have as an alternative to a price-support program at 81 percent on a restricted number of acres the other proposal of 90 percent on a far smaller number of acres than that. We are now confronted with the fact that the restrictions on acres in the proposed legislation would hold with 81 percent price supports unless we adopt the Hickenlooper amendment, which would expand the corn acreage available to this country to an average of the average of normal corn farming before we began a process of reduction of corn acres.

On that basis it seems to me that every Senator coming from an area which raises corn at all should be interested in supporting the amendment now before us. I certainly expect to support it.

It appears that we are approaching the whole farm program with the elimination of section 101 on a sort of guerrilla warfare basis. It was on that basis, I suppose, that some of our cotton friends left us on the recent vote. At least, we are talking about corn now, and this is a guerrilla warfare approach to the problem of corn. It figures out a method by which I believe corn farmers throughout the commercial area will be assured of at least as much cash income their crop this year as they would have received even though we had been able to keep in the bill the overall 90 percent program.

Perhaps it will be more in the current crop year.

I am still disturbed about where we will be after the current crop year is over. I would much prefer a referendum if it would provide that the farmer would be given a choice at the end of 1956 between the Hickenlooper 81 percent unlimited production program and the 90 percent price supports with some kind of acreage control. But since that is not incorporated in the bill, I cannot contrive any very good method by which we could give the farmer that particular choice by referendum. However, at the worst, the corn farmer would be no worse off if we give him the benefit of the Hickenlooper amendment during 1956 than he would be if we compel him to accept both a reduction in acres and a reduction of price support below 90-percent levels.

Mr. President, I urge the adoption of the Hickenlooper amendment.

Mr. HICKENLOOPER. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Iowa has 13 minutes and the Senator from Louisiana has 9 minutes.

SEVERAL SENATORS. Vote! Vote!

Mr. ELLENDER. Mr. President, I will relinquish my time.

Mr. HICKENLOOPER. Mr. President, I will yield back my time.

Mr. HUMPHREY. Mr. President, I sent to the desk an amendment in the nature of a substitute.

The PRESIDING OFFICER. The clerk will state the amendment in the nature of a substitute, offered by the Senator from Minnesota.

The CHIEF CLERK. On page 35, between lines 14 and 15, it is proposed to insert the following:

MINIMUM NATIONAL ACREAGE ALLOTMENTS FOR 1956 AND 1957 CORN CROPS

SEC. 405. Section 328 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting at the end thereof a new sentence as follows: "The acreage allotment of corn for the 1956 and 1957 crops shall not be less than 49 million acres in the commercial corn-producing area."

On page 35, line 16, strike out "405" and insert "406."

Mr. HUMPHREY. Mr. President, I wish to modify my amendment by strik-

ing out on line 8 "and 1957," changing "crops" to "crops", and then adding the referendum provision which was provided for in the Hickenlooper amendment.

The PRESIDING OFFICER. The Chair understands the amendment of the Senator from Minnesota is offered as a substitute for the Hickenlooper amendment.

Mr. HUMPHREY. Mr. President, I am modifying my amendment in the nature of a substitute by adding a section providing for a referendum at the end of the crop year of 1956.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. Has all time expired on the Hickenlooper amendment?

The PRESIDING OFFICER. The remaining time has been relinquished by both sides.

Mr. SALTONSTALL. Is this a new substitute with an hour to each side allowed for debate?

The PRESIDING OFFICER. There seems to be some confusion as to whether the amendment of the Senator from Minnesota is pertinent to the language of the Hickenlooper amendment.

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HICKENLOOPER. Is this an amendment in the nature of a substitute?

The PRESIDING OFFICER. The Chair understands it has been modified.

Mr. HUMPHREY. It is not being changed, Mr. President. The truth is the other part of the amendment did not get to the desk, so I sent up the remainder of it and merely added an amendment which is in the amendment in the nature of a substitute.

The PRESIDING OFFICER. It is now being offered as a substitute.

Mr. HUMPHREY. That is what it is, Mr. President.

The PRESIDING OFFICER. The clerk will state the amendment in the nature of a substitute offered by the Senator from Minnesota.

The CHIEF CLERK. On page 35, between lines 14 and 15, it is proposed to insert the following:

MINIMUM NATIONAL ACREAGE ALLOTMENTS FOR 1956 CORN CROP

SEC. 405. (a) Section 328 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting at the end thereof a new sentence as follows: "The acreage allotment of corn for the 1956 crop shall not be less than 50 million acres in the commercial corn-producing area."

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

On page 35, line 16, strike out "405" and insert "406."

The PRESIDING OFFICER. Is there objection to considering the substitute amendments en bloc?

The Chair hears none, and the substitute amendments will be considered en bloc.

The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Minnesota.

Mr. HICKENLOOPER. Mr. President, I raise a point of order as to the applicability of this amendment in the nature of a substitute.

The PRESIDING OFFICER. The Chair is advised that a point of order will not be in order until the expiration of the time on the amendment.

Mr. HUMPHREY. Mr. President, in order to simplify the matter, so that we will not waste our time, I ask unanimous consent for a ruling by the Chair on the question which was raised as a point of order, as to whether the amendment is in order. It is not an amendment as such; it is an amendment in the nature of a substitute.

The PRESIDING OFFICER. The Chair will submit the proposed amendment of the Senator from Minnesota to the Senate, and will let the Senate determine whether it is germane.

Mr. HUMPHREY. Mr. President, the amendment relates to the very subject matter under discussion. I speak to the issue. It relates to corn. The amendment does two simple things. First, it provides for this year an allotment of 50 million acres for corn; second, it provides for the crop year 1957 merely referendum proceedings, which were included in the Hickenlooper amendment. I have taken a section from the Hickenlooper amendment and attached it to the allotment, so as to make one amendment in the nature of a substitute.

Mr. WELKER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Idaho will state it.

Mr. WELKER. Did I understand correctly that a unanimous-consent request had been proposed by the Senator from Minnesota?

The PRESIDING OFFICER. He had done so at one point. The Chair thinks he has progressed further than that position at this time.

Mr. WELKER. I wish to object to the unanimous-consent request.

Mr. HUMPHREY. Mr. President, I suggest that we have already gone beyond that point.

The PRESIDING OFFICER. That is correct.

Mr. WELKER. No Senator had a chance to object.

The PRESIDING OFFICER. The Chair rules that the amendments are germane, and that the Senate should vote en bloc since the amendments are both offered as separate parts of one amendment. The first vote would be on the amendments offered by the Senator from Minnesota.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts will state it.

Mr. SALTONSTALL. Do I now understand correctly that the Chair has withdrawn his recommendation that the question be decided by the Senate, and has ruled on the point of order?

The PRESIDING OFFICER. That is correct.

Mr. SALTONSTALL. So the question now comes on whether the amendments offered by the Senator from Minnesota shall be substituted for the Hickenlooper amendment?

The PRESIDING OFFICER. That is correct, after whatever time may be taken for debate by the Senate from Minnesota, who now has the floor.

Mr. SALTONSTALL. Does each side now have 1 hour?

The PRESIDING OFFICER. That is correct. Is there objection to considering the amendments en bloc? The Chair hears none, and it is so ordered.

How much time does the Senator from Minnesota yield to himself?

Mr. HUMPHREY. Mr. President, I yield myself 10 minutes.

The issue posed by the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER] is whether to continue with the allotment system on the basic crops when there are mandatory price supports, or whether to retreat to the so-called historical base of the fixed parity of 81 percent, with the production of corn on the basis of the acreage which has historically been used on each farm.

To put the matter in another way, the question is whether we want to take control over production under allotments when there are mandatory price supports, or whether we do not want to have control over production when there are mandatory price supports.

I said earlier today that the amendment of the Senator from Iowa is very tempting to the junior Senator from Minnesota, because, frankly, I say to my colleagues, it means that for 1 year, at least, in the State of Minnesota, in the commercial grain-producing area we could take advantage of the maximum amount of acreage, at least under the historical base which our State has always had for corn production. At approximately \$1.40 a bushel, this means that all corn would be eligible for sealing and crop loans.

The Humphrey amendment, which is not new—it has been discussed in the committee—merely provides that instead of 43 million allotted acres this year, a limit of 50 million acres will be es-

tablished. Last year's allotment was 49 million acres. I have taken the figure of 50 million acres because it is a plausible figure, in the light of the debate as to the quantities of corn available.

The Senator from Iowa said that no surplus was indicated; that 56 million acres provided a normally usable amount of corn. So my amendment places the corn commodity in the traditional pattern of price support legislation. It keeps it with the allotments for cotton, tobacco, wheat, rice, and other commodities. The amendment does not treat corn as a special-privilege commodity; it treats it equally, under the same principles of price support legislation applicable to other commodities.

Frankly, I feel that my colleagues can vote for the amendment, because, first, it provides for a reasonable allotment. Forty-three million acres was an unreasonable allotment. Second, with 50 million allotted acres, the acreage reserve section of the soil bank becomes available to any and all parts of the 50 million acres. If a farmer has, let us say, 100 allotted acres of corn, and he wishes to take out 15 acres, he will be required to reduce his acreage of allotted acres under the acreage reserve section of the bill. This will be for the first year. For the second year there will be a referendum to determine whether he wishes to continue under the allotment system with the acreage reserve benefits, or whether he wishes to go into what are called discretionary levels.

There is no need for debating over the amendment any longer, except to point out that the amendment offered by the Senator from Iowa, I believe, opens up a great deal of trouble, as I indicated before, with respect to many other commodities. I have felt that as we deal with the program, we should try to deal with it as equitably as possible, commodity by commodity; otherwise, we will not be able to have a price-support program which will be workable anywhere.

I think it is fair to say that unless we have production controls or mandatory supports, production will get out of hand. That will affect the price level of other crops. Corn is a basic food commodity. If corn is produced greatly in excess of the actual needs, the tendency will be to weaken the cash-grain market. When corn weakens the cash-grain market, it weakens also the markets for grain, sorghum, and all other feed grains.

Mr. ELLENDER. Mr. President will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ELLENDER. Are we to understand that the amendment suggested by the Senator from Minnesota is somewhat along the line of the one he submitted in the committee?

Mr. HUMPHREY. It is, except for the referendum provision.

Mr. ELLENDER. And also for the amount of the acreage allotment which is raised from 49 million acres to 50 million acres?

Mr. HUMPHREY. That is correct. I hope Senators who believe in a farm

program based upon mandatory price-supports, even though the schedule now is flexible, will accept for corn what they have accepted for other commodities, namely, the acreage allotment principle.

In good conscience, I simply cannot see how we can treat one commodity so differently from another, particularly when we consider the principle of production control and allotments.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Has the total acreage to be allotted for corn this year now been fixed?

Mr. HUMPHREY. It was announced as 43 million acres.

Mr. HOLLAND. Was 43 million acres the figure last year?

Mr. HUMPHREY. No; it was 49 million acres last year.

Mr. HOLLAND. Is it not true that even with the 49-million-acre allotment, the number of corn producers in the commercial area who accepted their allotments and operated under them was only about half the total number of corn producers?

Mr. HUMPHREY. That is about right. I believe the percentage, according to the information I have just received, is 54.2 percent.

Mr. HOLLAND. Does the Senator know on what theory the contracted acreage was diminished from the 49 million acres last year to 43 million acres this year?

Mr. HUMPHREY. I really do not know. I do not recall any explanation of it. There seems to be a general consensus that the allotted number of acres at 43 million was below what the allotment should be.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does the Senator recall, and can he state for the RECORD, substantially the amount of corn now held by the Commodity Credit Corporation?

Mr. HUMPHREY. Yes, I can. There is held by the Commodity Credit Corporation, under ownership as well as under crop loans, which means farmer holding, a supply of corn for approximately 3¼ months. I think it is approximately 1,020,000,000 bushels.

Mr. HOLLAND. What is the Senator's understanding of the amount of acreage which would be allowed as the base plantings under the amendment offered by the distinguished Senator from Iowa?

Mr. HUMPHREY. From 56 million to 57 million acres.

Mr. HOLLAND. Does that represent the amount of acreage which has been planted by those who heretofore have accepted acreage allotments and have operated under it, plus the acreage of those who have declined to accept their acreage allotments and have largely exceeded them?

Mr. HUMPHREY. That is correct.

Mr. HOLLAND. Does the Senator from Minnesota understand that the purpose of the amendment in the nature of a substitute, now being offered, is to recognize the fact that the allotment for this year is unreasonable, and that nevertheless it would be even more unreasonable to allow full 100-percent participation to those who have declined in every way to accept their allotment and to cooperate, with those who have accepted and have cooperated with the price support program conducted under law?

Mr. HUMPHREY. The Senator is absolutely right. In other words, what the Hickenlooper amendment would do is say to those who have not cooperated at all under the acreage-allotment programs, "Now you are going to get all the benefits of the price-support program without any necessity to cooperate at all, except, for sending and putting your corn under loan, you get 21 percent of the historical base of the corn-producing area."

Mr. HOLLAND. Does the Senator feel that a sufficient number of corn producers would accept allotments under the 50 million acre base to the point where the possibilities of voluntary compliance by the particular producers accepting participation in the acreage reserve portion of the soil-bank program would be sizable and substantial, and would constitute a real contribution to the decrease of production, such as is contemplated by the soil-bank program?

Mr. HUMPHREY. I do, and I want to say to the Senator I think one of the reasons we did not have too much compliance was that there was no real incentive for compliance with the conservation reserve, on the one hand, and the acreage reserve, on the other hand. With a 50-million-acre allotment, there would be a program much more conducive to compliance than there was last year or the year before.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. I yield myself an additional 5 minutes.

Mr. HOLLAND. I am not entirely sure that the figure of 50 million acres the Senator has advanced, which is more or less a generous figure, as I understand, should be held to be the proper figure; but I want to say I approve of the approach made by the Senator in his amendment, and I disapprove of the approach made in the amendment which has recognized with equal validity the acreage of those who have accepted their allotments heretofore, and have played ball with the Government and each other, and those who have declined to accept their allotments and have overplanted greatly and have contributed to the completely unsatisfactory situation which we have had in the corn program.

Mr. HUMPHREY. I thank the Senator from Florida. I want to say now that if we, in preparing farm legislation, are unwilling to establish, within the legislation, controls which are necessary or desirable to make it work, we are going to have such public reaction to farm legislation that that will be the end of it.

I remind my colleagues of the old potato program. When that program got out of hand it almost wrecked all farm programs. When we ask the farmer to play a role in the farm price situation, we also ask him to be willing, if the sup-

ply seems to exceed the demand, to accept production controls.

While the Senator from Florida and the Senator from Minnesota have disagreed very heatedly on price supports, the Senator from Minnesota has not disagreed with the Senator from Florida, or vice versa, as to the matter of controls.

The Senator may recall that I offered a feed-grain amendment in the committee, and when the Senator from New Mexico and the Senator from Florida pointed out that my feed-grain amendment had, for all practical purposes, a mandatory provision, even though the word "mandatory" was not spelled out as such, and there were no production controls involved in it, I withdrew the amendment.

Mr. HOLLAND. I appreciate the comment of the distinguished Senator. I should like to ask him one additional question. Is it the understanding of the distinguished Senator that if his amendment as submitted is adopted, the rest of the acreage—that is, the difference between the 50 million acres and the 56 to 57 million acres—will be available for the conservation-reserve program?

Mr. HUMPHREY. Indeed, it will be.

Mr. HOLLAND. That is an excellent program, though somewhat less generous than the acreage reserve.

Mr. HUMPHREY. Indeed, it would be available for the conservation reserve.

I want to say again to those who have been deeply concerned about the effect of surpluses on cash market prices, I think we in the Senate have a moral obligation, in light of the problems that face the Government and the farmers, to try to write a farm program which will not open up a Pandora's box of excess production.

Regardless of our differences over 90 percent of parity and 75 to 90 percent of parity price supports—and I say those differences have been overplayed somewhat in terms of their inducements—all of us accept responsibility for acreage allotments, marketing quotas, and controls, depending on which one would be used on the crop.

I do not think we can write farm legislation along this line unless we are willing to accept some of that responsibility.

Mr. MUNDT. Mr. President, I have been trying to analyze in my own mind the result of the Senator's amendment, which, if I interpret it correctly—and it is not in print, so I do not have it before me—would pretty much perpetuate for this year approximately the same acreage controls we had in the year 1955, which was 49 million. The Senator proposes to make it only 50 million for 1956.

Mr. HUMPHREY. That is correct.

Mr. MUNDT. It seems to me, from the standpoint of the best interests of the farmers of North Dakota, South Dakota, Minnesota, and other typical States, 50 million is too tight an acreage to impose, because the experience in South Dakota was, even with the provision of 87 percent of parity, on approximately the same acreage allotment, 50 million acres, only 30 percent took the allotment, because they said it was too severe an acreage cut.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I yield myself 5 additional minutes, so that the Senator may proceed.

Mr. MUNDT. Consequently, does not the Senator feel that if we cut it down to 50 million instead of 56 million acres, we will be doing an injustice to the farmers of the Senator's State and mine.

Mr. HUMPHREY. No. I think we would be doing an injustice, if not in 1956, then in 1957, if we permitted unlimited production under a fixed price-support program. I thought we had argued that point and that that was the view of those who were for flexible supports and those who were for fixed supports. What I say must be apparent to the Senator from South Dakota, who has done a tremendous job, and has worked diligently and ably in the committee. This proposal also includes the conservation reserve features of the bill and its acreage reserve features, both of which will provide additional incentives and inducements for cooperation.

I am convinced that with those inducements—with acreage reserves and conservation reserves—plus some cutback, the market price will rise considerably and also will constitute an inducement for compliance.

Mr. MUNDT. The difficulty is that the 50-million-acre lid the Senator proposes—and I grant that there cannot be unlimited production—is just about what we had in 1955 when acreage allotments were just short of 50 million acres. I know that in South Dakota there was considerable complaint about the fact that that 1955 allotment was too tight. As a consequence, although the corn farmers would have received price supports at 87 percent of parity by accepting the allotments, only a small percentage of them accepted the allotments.

The Hickenlooper amendment has a ceiling, but it is a ceiling based on the historic base of the 3-year average of corn production acreages.

If the amendment of the Senator from Minnesota would call for 55 million acres, instead of 50 million acres, I think he would achieve what he has in mind at least he would be realistic without hurting the farmers of the commercial corn area. I understand his objective—namely, to keep from having corn simply run out of our ears, and to avoid that without doing injury to the small farmer. In Minnesota and South Dakota the farmer found that if he did not have a larger corn base he could not operate effectively in 1955.

Mr. HUMPHREY. I wish to say that I think the matter of participation in the farm program involves more than just the level of allotments and even the level of price supports. In Minnesota, the lack of participation in farm programs is considerable; the amount of participation has decreased approximately 35 percent from what it was in 1950, 1951, and 1952. I can state why that is so. When I was in Minnesota recently, many persons told me voluntarily that no one tries to work with them or to educate them, to get them to

participate. The Senator from South Dakota knows very well practically every farm family in his State, I am sure; and I am sure that from talking with those farm families he finds that whenever there has been an allotment program or a support program, generally the county committeemen and the community committeemen have gone from farm to farm to obtain participation.

In the case of almost every such program, I say there has been a drop in participation. The reason for that is, first of all, the farmers lost faith, in many instances, with the county committees, because of the tampering with those committeemen; second, because many of the fine committeemen have been relegated to advisory capacities; third, the committeemen have not had sufficient time even to sell the program.

Recently, I attended a meeting in western Minnesota; and after the meeting I spoke to the county committeemen from 12 counties, who had come there to see me. I do not know all those men by name; most of them are new, because all of those with 3 year's or more service have had to retire from the program. They said to me, "Senator, how can we do a good job for the program when we are limited to so few hours per week or per month?"

So we have cut down the activities of the farm committee system to a point where the committeemen no longer have an opportunity to sign up the farmers. It is necessary for the committeemen to talk to the farmers. When the program is handled in that way, it works.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I yield myself additional time.

Mr. President, I think the record of 54.2 percent participation, on a national average, is not bad, in the case of the corn program.

I should like to add that as a result of the acreage reserve benefits and the conservation reserve benefits, and as we dispose of the surplus and bolster the normal market, it seems to me we shall have a better compliance record.

Mr. MUNDT. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. MUNDT. In the substitute amendment of the Senator from Minnesota, does he include the portion of the Hickenlooper amendment that requires compulsory participation in the acreage reserves, insofar as some phases of the farming operations are concerned?

Mr. HUMPHREY. I do not, because that was part of the cutback which was provided in the Hickenlooper amendment. The cutback provided in my amendment is from the historic basis, as well as we know it—in other words, from around 56 million or 57 million acres to 50 million acres.

This amendment recognizes the principle of production control through acreage allotments. Then, the next year, we give the farmers an opportunity to vote as to whether they wish to continue un-

der allotments and a mandatory support schedule, or under a discretionary schedule.

Mr. MUNDT. I wish the Senator from Minnesota would, in his amendment, increase the figure "50 million" to "55 million," because it may be there is a difference between Minnesota and South Dakota as to the major reason why there has not been more widespread participation in the program. But on my desk there are stacked high the letters from farmers who complain about the program in connection with corn, under the allotments. They could not carry on their operations in 1955 on the allowed level; and they were aghast at the allotments for 1956. The Humphrey amendment would again deprive our corn farmers of justice.

I think an allotment of 50 million acres would be just about what they had in 1955. It may be that in Minnesota there is a different reaction to this proposal. But the experience I had on the Lincoln Day weekend, in talking to farmers in South Dakota, convinced me that the weak point was that the farmers have found that a reduction to 43 million acres is too drastic. They said, "Last year we could not get by with 49 million acres."

So 55 million acres would give them a little breathing space, but 50 million acres would cripple their farm operations and reduce their income.

Mr. HUMPHREY. But this amendment will give them 7 million acres more than the allotment for this year.

Mr. MUNDT. But it will be less than a million acres more than what they had in 1955.

Mr. HUMPHREY. The allotment this year threw a cold chill into every farmer; there is no doubt of that. I say it was an unrealistic figure, and was not related to the available supply, because the so-called corn surplus is not as large as some persons think it is.

Furthermore, if we set the figure at 55 million acres this year—which, from a very selfish point of view, for 1 year would be very desirable, I am sure, to many of the farmers in my State—I am afraid that if the figure is put at 55 million acres for this year, we are apt to open up the possibility of further accumulation of supply and further weakening of price.

Mr. MUNDT. That would depend on how well the basic theory of the Hickenlooper amendment works. No one will know until we try it. Until it is tried, no one will know whether the farmers will use the acreage reserve and the conservation reserve, and thus will raise less corn than they otherwise would.

Mr. HUMPHREY. My feeling is that if we have an allotment program as a part of the price support mechanism for production control, we should continue the allotment program. I feel that unrealistic allotment cuts will destroy any program. I also feel that unrealistic production expansion will destroy any program. I am trying to get a balance between the two.

Mr. CAPEHART. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. I fully realize what the able Senator from Minnesota is attempting to do; but I honestly believe that the 56 million acres, with an automatic 15-percent cutback for soil conservation and acreage control, which almost automatically will cut back the acreage to 50 million—

Mr. HUMPHREY. It is not automatic in the case of corn. It is automatic in the case of cultivated acres. Under the Hickenlooper amendment, it is automatic in the case of all cultivated acres.

Mr. CAPEHART. Yes; for corn and for other things.

Mr. HUMPHREY. Yes; for all cultivated acres.

Mr. CAPEHART. But then this year they will get only 81 percent, as compared to the 90 percent the Senator from Minnesota was talking about.

What I am interested in, and what I am certain the able Senator from Minnesota is interested in, is the number of dollars to be put in the pockets of the farmers.

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. I know the Senator does not want to take any dollars away from the farmer.

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. In my opinion, the Hickenlooper amendment—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. I yield additional time.

Mr. CAPEHART. In my opinion, the Hickenlooper amendment would put more dollars in the pocket of the corn farmer. He and the hog producer are the ones who are suffering most under low prices. There is a great deal of corn in Minnesota.

Mr. HUMPHREY. Yes. We also have a great deal of oats, barley, grain sorghums, rye, and soybeans.

Mr. CAPEHART. Minnesota is a great corn State.

Mr. HUMPHREY. I am not worried about whether we are a great corn State or a small one. I think this is a matter of equity and justice. My feeling is that if we let the corn program go to the point where, in order to participate, a farmer must reduce his cultivated acreage by 15 percent, and we give the corn grower 81 percent price support on his base acres, we shall actually be playing off one producer against another. What will happen to the sorghum grain producer who must be cut out?

Mr. CAPEHART. In 1955, only 46.4 percent of the farmers in Minnesota cut back their acreage of corn.

Mr. HUMPHREY. Yes.

Mr. CAPEHART. I do not have the figures with respect to those who, even after they cut their acreage, borrowed money at the parity price. In Indiana, 46 percent of them cut their acreage back, but only about half of those who cut their acreage back borrowed at the support price. So we ended up in Indiana with only 27 percent of our farmers receiving any benefit whatsoever from the so-called parity price. They fed their corn, or they had no place to store it, or they did not feel that they wanted to participate, even after they had cut back their acreage. I notice

that Indiana and Minnesota are in just about the same situation.

Mr. HUMPHREY. Would the Senator like to have me explain the situation?

Mr. CAPEHART. Does the Senator mean to explain why they are in the same situation?

Mr. HUMPHREY. I should like to explain why more farmers did not participate under the allotment program. A large number of our corn farmers fed their corn. They did not sell it. Two-thirds of the corn is fed. Less than a third is sold.

Mr. CAPEHART. That is correct.

Mr. HUMPHREY. The reason we do not have active participation under an allotment program is that the corn is fed. The man who wants to conduct a cash operation, the man who is not feeding his corn to hogs, livestock, or poultry, will come under the program. That is why the figures we use for compliance or participation are often misleading. It is because the corn producer, as such, is essentially producing for himself. He is a feeder.

I repeat that under the proposal of the Senator from Iowa [Mr. HICKENLOOPER], considered in terms of an acreage of 56 million acres and 81 percent of parity, or about \$1.40 a bushel, in order to come under such a program the farmer must cut about 15 percent from his cultivated acres. That means cutting out some other kind of crop.

Mr. CAPEHART. Not necessarily. He could cut it all from corn.

Mr. HUMPHREY. He could.

Mr. CAPEHART. Or soybeans.

Mr. HUMPHREY. Does the Senator think a farmer is going to cut corn at 81 percent of parity, when soybeans are at 70 or 75 percent, and oats are at 65 percent? Of course not.

Mr. CAPEHART. I can see now that the Senator is not a farmer.

Mr. HUMPHREY. Oh, yes.

Mr. CAPEHART. Corn is the most profitable of all the crops.

Mr. HUMPHREY. Of course. That is exactly what I am saying. The corn producer is going to produce corn, which will compete with grain sorghums, rye, barley, and other feed grains. He is going to produce corn because, with 56 million acres, and with 81 percent price supports under crop loans, the other feed grains will be placed in a disadvantageous position.

If the Senator would be willing to include in this amendment a provision that all feed grains shall be treated the same as corn—

Mr. DANIEL. Or comparably.

Mr. HUMPHREY. Or comparably—then we would have a fair program.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. A couple of hours ago the Senator told us that there was only about a 3-month supply of corn on hand.

Mr. HUMPHREY. Yes.

Mr. CAPEHART. I heard the Senator say that he wanted the farmer to get more money.

Mr. HUMPHREY. Exactly.

Mr. CAPEHART. Why is the Senator singling out the corn farmers?

Mr. HUMPHREY. Since this is on my time, I shall reply, and then allow the time to be charged to the other side. I am not singling out the corn farmers. I am their friend. I am not their Saturday night friend. I like to go to church with them, and to live with them all week. I do not believe in an economic binge over the weekend. I believe in living the whole week with them, and leading the good life.

The proposal offered was a 1-year shot, which I think would aggravate the production problem, the supply problem. At a later date, it would compel the Secretary to cut the acreage, to the detriment of the corn farmer. Furthermore, it might be all right in a State which is primarily a 1-crop State or a 2-crop State—strictly a corn-hog State—to have the Hickenlooper proposal. But where other feed grains, such as wheat, oats, barley, grain sorghums, rye, flaxseed, soybeans, and other similar crops are involved, I suggest that we have an allotment program, so as to keep the feed supply in balance. Otherwise, we shall find the situation almost out of hand.

Mr. SCHOEPPPEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SCHOEPPPEL. I have listened to the Senator's statements with respect to what the corn situation would be under this amendment in relationship to the other feed grains. I say to the Senator most earnestly that in my area, in the western third of my State—perhaps a little more, but certainly the western third of my State, which is practically the upland area—the principal crops are wheat and sorghum grains.

Mr. HUMPHREY. Yes.

Mr. SCHOEPPPEL. My people are disturbed. I recognize that the corn producers are up against a problem, because they feed a great deal of that corn. But what is going to happen to areas in which the principal crops are wheat and grain sorghums? What is this proposal likely to do to the grain sorghum producers?

Mr. HUMPHREY. It is likely to drive them out of business.

Mr. SCHOEPPPEL. That is what I am fearful about. I am disturbed about the situation from that angle. I think, in all fairness, those of us in those areas must take that situation into consideration.

Mr. HUMPHREY. While my amendment, with the acreage allotments, plus the benefits of acreage reserve and conservation reserve, would do a great deal less to aggravate the problem of the feed grain producers, I am afraid that the Hickenlooper amendment, with the possibility of 56 million acres, would do a great deal more to aggravate the feed grain dilemma, the feed grain situation.

The Senator from Kansas is correct.

In his State and in other States there are two basic crops, such as wheat and grain sorghums. Grain sorghums are used as feed. In relation to corn, they have an equivalent feed value ratio of 99.58 percent.

Mr. SCHOEPEL. That is correct.

Mr. HUMPHREY. Grain sorghums are as good as corn for feed. Sorghums are not supported at the same level as is corn. Sorghums are going to be placed in a disadvantageous position; and with the bulk of corn on the market the farmer will feed the corn. If it is put into the market, we shall be in trouble.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DANIEL. The Senator from Minnesota pointed out that we should try to take care of the feed-grain problem, along with anything that is done with reference to grains in the amendment of the Senator from Iowa.

Mr. HUMPHREY. I hope my amendment will be agreed to. I have discussed briefly with the Senator from Texas a proposal which I hope he will offer, relating to corn and wheat in the event my amendment is not agreed to. I should be delighted to support his proposal in that event.

I have but one purpose. I am trying to preserve the farm program. If we start treating each commodity separately, with special deals, there is no limit to what may happen. If we are going to jump on the gravy train as it goes by we shall never arrive at a satisfactory solution.

Mr. CAPEHART. I thought the Senator was making a great argument about putting money in the pockets of the farmer.

Mr. HUMPHREY. The Senate had that opportunity when it voted on the 90-percent-of-parity feature.

Mr. CAPEHART. We have the opportunity now to help the farmer. I am an experienced farmer. We ought to handle each of the individual items, such as wheat, corn, and so forth, on its own merits, and not try to place them all together and handle them in one package, as the Senator is trying to do.

Let us be consistent about this matter. We are either for the farmers or against them. Let us not be for 1 group 1 minute and against another group the next minute.

Mr. HUMPHREY. I am rather intrigued by the Senator from Indiana—

Mr. CAPEHART. And I am intrigued by the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I ask for the regular order.

I am rather intrigued by the Senator from Indiana saying that we should be consistent. He now wants to put some money into the pockets of the farmers, but an hour and a half ago he voted to take money out of the farmers' pockets. He voted for an amendment which reduced the farm income by about \$850 million. He can argue why he voted as he did. For instance, he can say that in the long run perhaps it will do so. However, the chairman of the Committee on Agriculture and Forestry pointed out what title I meant. Title I went down the drain. Title I was Bensonized. It went down the chute.

Now we are at another point. We are discussing one commodity. The reason title I was defeated was that we have

been having a nice time playing around with one commodity at a time.

The proposal of the Senator from Minnesota offers the same price-support level as does the proposal of the Senator from Iowa [Mr. HICKENLOOPER]. The only difference is that my proposal offers the price support on 50 million allotted acres. As I said earlier, generally the farmer who participates under the allotted-acre program is the farmer who wants to sell some of his corn. He is generally the one who participates.

We are hopeful we can get more farmers to participate. I believe if we were to assure them that we were working toward their long-term good, instead of dealing with the subject on the basis of politics, we could convince the farmers.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not at this time. Corn farmers are very intelligent. They are able and frugal and fine people. I do not think they will be fooled. I have talked to farmers in Minnesota. If there is one thing I can do, it is count. I believe I know what their political and economic attitudes are. I have done pretty well along that line. I have been home in Minnesota talking to the farmers of my State. They are not being fooled. I have talked to some of the largest corn growers in our State. I have talked to some hog raisers, and I have talked to some feed producers. Do Senators know what they told me about the amendment before us? They said, "Senator, if you vote for that amendment, you are voting for a weekend binge and a long hang-over." I do not intend to vote for a weekend binge.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I cannot think of any subject that has more relevance to a binge than the subject of corn. [Laughter.] I do not intend to go off on a political lark and then find out on Monday, Tuesday, Wednesday, Thursday, and Friday of the coming week that we have been opening a Pandora's box of trouble.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the Senator from Indiana.

Mr. CAPEHART. Three or four hours ago the Senator said we had only a 3-months' supply of corn on hand.

Mr. HUMPHREY. The Senator from Indiana did not believe me.

Mr. CAPEHART. Is not the Senator fearful that we may have a drought and, as a consequence, a real shortage of corn, and in that way run out of corn? Under the Senator's amendment, providing for 50 million acres, is there not the danger that that might happen? Two or three hours ago, he was making the argument that there was a surplus of only 2 or 3 months' supply of corn on hand. Under those circumstances would he not think that we ought to make certain that we have a sufficient amount of corn on hand?

Mr. HUMPHREY. Mr. President, does the Senator from Indiana indicate that he would like to change his vote on title I?

Mr. CAPEHART. No; I am asking the Senator a direct question, because he is the one who has raised the point that we have on hand only about a 3 months' supply of corn.

Mr. HUMPHREY. I am so very much pleased that the Senator has been persuaded. The Senator's reactions, apparently, are a little slow, but he has finally arrived. Apparently he is convinced that the Senator from Minnesota was right in what he said a few minutes ago. If there were any way of moving for a reconsideration of the vote on title I, I should like to so move. However, I understand that the rules of the Senate prevent our doing so, because the motion to reconsider was tabled.

However, I wish the record to be perfectly clear that at long last the argument of the Senator from Minnesota has penetrated and moved in on and encircled and encompassed and saturated the Senator from Indiana, and that the Senator from Indiana now believes that my argument about the surplus of corn was right.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. The record should show that the Senator from Indiana now believes it would have been well indeed if we had a much better support program?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I commend the Senator from Indiana. I should like to remind him that there is great rejoicing in heaven on the repentance of any one who finally comes back to the fold.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. My warm heart goes out to him. Of course, I am delighted to yield to the Senator from Indiana.

Mr. CAPEHART. I merely wanted to see how consistent the Senator is willing to be.

Mr. HUMPHREY. I may say to the Senator—

Mr. CAPEHART. I say that because 2 hours ago he said we had only about a 3 months' supply of corn on hand. Yet now, 3 hours later, he wishes to reduce the acreage of corn.

I want the RECORD to show how 100-percent consistent the Senator is. He is about the most consistent man I have ever listened to.

Mr. HUMPHREY. I may say to the Senator from Indiana that if I am to take instructions in consistency, I should have the privilege of selecting my own professor. [Laughter.]

Furthermore, I may say to the good Senator from Indiana that all I am trying to do is to take the Secretary's figure of 43 million acres, which he said is what we need for the 1956 crop year, and make that a realistic figure by making it 50 million acres. The Secretary is supposed to know what he is doing. The Senator from Indiana now says the Secretary does not know what he is doing. On that point we agree. It is very delightful indeed that we can get together on one more point.

The Senator from Minnesota has tried to help out in the situation. He does not feel, however, that because a thirsty man wants a glass of water, we should drown him in a bathtub. What the Senator from Indiana is saying to the corn farmer is that the way to get him out of his trouble is to inundate him. I say the way to get him out of his trouble is to give him an opportunity to produce at a fair price.

I regret that the Senator from Indiana voted against 90 percent of parity. He could have helped the corn farmers of his State. I am sure they will remind him of his vote when he goes home, as all other Senators will be reminded. Now he has an opportunity to stand by the principle which has been discussed for years; namely, that in a fixed parity there are always included production controls.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. That is a principle which has been in the law since 1933. I am shocked to hear supporters of the administration stand on the floor of the Senate and literally throw away that principle of regulated production under fixed schedules.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am delighted to yield.

Mr. CAPEHART. I would much rather have 80 percent of 56 million than 90 percent of 43 million. The 43 million formula is a formula set up under the law, and the Secretary must follow it. That is not his own idea at all. It is a formula set up under the law.

Mr. HUMPHREY. I rather felt that if I kept after this point long enough I would bait someone into this argument. I am delighted. This is a subject I have been working on for a few months. I have read a few books on it too. I do know something about the subject of agriculture.

I should like to read from the Compilation of Statutes Relating to Soil Conservation, Marketing Quotas and Allotments, Crop Insurance, Sugar Payments and Quotas, and so forth, issued as of January 1, 1955, by the Department of Agriculture as Agriculture Handbook No. 79. I read from the middle of page 25, as follows:

(10) (A) "Normal supply" in the case of corn, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carryover. The allowance for carryover shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 15 percent in the case of corn; 10 percent in the case of rice; 20 percent in the case of wheat; and 15 percent in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

That law states that the Secretary may make an adjustment if he finds

unusual conditions to prevail. He can decrease or increase the allotment. Therefore the 43 million acres have no relevancy whatever to the 3 factors I have listed.

In conclusion, I merely point out that the Secretary of Agriculture has the authority under the regulations and under this statute to establish a much higher allotment than was established, and he is not compelled at all to establish the base of 43 million acres; not at all.

At this late hour, Mr. President, it is always pleasant to see our colleagues ask for forgiveness, so to speak, for their earlier transgressions. I wish to be charitable about it. I wish we could change the vote on title I, because apparently at long last there is a deep concern in the hearts and minds and breasts of some of our colleagues about the cash income of the farmers. One certain way to have given the farmers a cash income in 1956 would have been by title I.

Mr. President, my amendment will provide cash income for corn farmers just as will the Hickenlooper amendment. What is more, Mr. President, my amendment will provide a better cash income in the years to come than will the Hickenlooper amendment.

I think, on that basis, Senators should vote for it, and I am hoping it will receive a majority vote.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. LANGER in the chair). Is there a second?

The yeas and nays are ordered.

Mr. HUMPHREY. Mr. President, I yield the floor.

Mr. HICKENLOOPER. Mr. President, I yield 3 minutes to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I have been listening to the discussion, and I gather the idea that some people feel that corn is somewhat discriminated against in the matter of price supports. I wish to point out that grain sorghum, which is practically all grown outside the commercial corn area, has a support price of \$1 a bushel as compared with the support price of \$1.05 per bushel for corn in the noncommercial area. If the relative feed value of sorghum is used as a base, the support price for sorghum should average just a shade higher than the support price for corn.

I see the Senator from Texas [Mr. DANIEL] is present. I understand the feed value of sorghum for dairying is the equal to that of corn. For feeding sheep and cattle it is less than that of corn.

I point that out to show that the present support prices are fairly equitable. I understand that sorghum is not grown in the commercial corn area.

Mr. DANIEL. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. DANIEL. Would the Senator from Vermont be willing to vote for an amendment which would provide that the support on sorghum would be comparable to the support on corn?

Mr. AIKEN. I will say to the Senator from Texas that I will consider such an amendment. I want to see it in print.

Perhaps it has been already printed. I shall look it over.

Mr. DANIEL. We have such an amendment.

Mr. AIKEN. When we tried to support feed grains on a comparable feed value level, we got into trouble because of the commercial and noncommercial areas of corn. It has been difficult to apply it. If, however, after a referendum, the corn growers should vote to abandon the mandatory supports and Government controls, it would be a fairly simple matter to support them on an even basis and according to their feed values.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. HICKENLOOPER. Mr. President, I have been extremely interested in the amendment in the nature of a substitute offered by the Senator from Minnesota. The Senator comes from a great corn-growing State. I believe the record shows that 58 out of the 87 counties in Minnesota are in the commercial corn area. The Senator from Minnesota proposes an amendment which will destroy the benefits to the corn farmer in the commercial corn area, whether it stands as 81 percent of parity or 90 percent of parity. Last year there was a corn allocation acreage of approximately 49 million acres. It did not work; it did not function. Less than a quarter of the corn in the commercial corn area went to seal. Less than a quarter of the farmers got the benefit of support prices, but the Senator from Minnesota proposes to go this year to exactly the same figure which failed last year, and without participation in the soil bank or in the conservation reserve.

Mr. HUMPHREY. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. HUMPHREY. Will the Senator be kind enough to tell the Senate how many farmers produce cash corn?

Mr. HICKENLOOPER. I do not have the figures here.

Mr. HUMPHREY. I may say to the Senator the number is less than 20 percent. I may say further to the Senator that I thought the soil bank program this year was supposed to remove some of the other acres so that there would be a greater incentive to comply.

Mr. HICKENLOOPER. I will come to that in a moment.

I understood the Senator from Minnesota to say, in reply to a question by the Senator from Florida [Mr. HOLLAND] as to whether the acres over and above the 50 million acres in the commercial corn area could participate in the conservation reserve, that they might. I wish to invite attention to the fact that as the bill now stands they could not. Only those who are in compliance can participate in either the conservation reserve or the acreage reserve. So, only those who are in compliance, which would be not over 50 percent of the corn acreage in general, could participate in the acreage reserve or the conservation reserve.

I invite attention to section 215 of the bill which reads as follows:

No person shall be eligible for payments of compensation under this act with respect to any farm for any year in which the acreage of any basic agricultural commodity other than wheat on the farm exceeds the farm acreage allotment for the commodity—

And so forth. They must be in compliance before they can participate in the conservation reserve or the acreage reserve.

Mr. HUMPHREY. The Senator is aware of the fact, of course, that the land of farmers who are in compliance is eligible for the acreage reserve and the conservation reserve.

Mr. HICKENLOOPER. If they are in compliance.

Mr. HUMPHREY. If they are not in compliance they are planting, and if they are planting they will get more than if they were under compliance. If they are not in compliance they will be planting corn and be getting more for their corn than they would if they put the land into the conservation reserve.

Mr. HICKENLOOPER. Oh, not at all. That is not correct at all.

Mr. HUMPHREY. Does the Senator from Iowa say for the RECORD that a farmer in Minnesota or in Iowa who is not in compliance and who is planting corn, if he receives \$1.05 or \$1.10 or \$1.15 a bushel, will get more benefits under the conservation reserve?

Mr. HICKENLOOPER. I say, indeed, he will get more benefits than if he got \$1.15 cash. In my opinion, under the formula, he will get a greater benefit than if he got \$1.15 a bushel for his corn.

Mr. HUMPHREY. Even under the acreage reserve, the highest benefit he will get is only one-half of the 81 percent of parity supports, which would be approximately 70 cents a bushel. Under acreage reserve and under conservation reserve his benefits are much less. The farmer who is in compliance gets the benefit of acreage reserve and conservation reserve. The farmer who is not in compliance gets an opportunity to plant more corn.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. AIKEN. I notice the Senator from Minnesota assumes the payments on the acreage reserve will be 50 percent of the support price. That has not been determined yet.

Mr. HUMPHREY. Oh, it has.

Mr. AIKEN. That will be such as to get 5 million acres out of the corn acreage.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. AIKEN. I yield.

Mr. HUMPHREY. I wonder if the Senator knows that the bulletin issued by the Agricultural Marketing Service, released only the day before yesterday, and which was signed by Walter C. Berger, and is called general notice 348, states on page 3 as the suggestions to the county committee, as to how the acreage reserve program will work:

Corn, national yield per acre, 44.2 bushels.
"Rate of payment based upon normal yield, 50 percent of loan level."

Mr. AIKEN. That has been sent to the county committees to determine whether 50 percent is a figure which would get the desired reduction in planting.

Mr. HUMPHREY. Will it be more, or less? The Senator has an inside line to the Department of Agriculture. Does the Senator think the amount of payments will be more, or less?

Mr. AIKEN. It will be whatever the county committees report will be necessary to get the desired reduction in acreage. The 50 percent was thrown out as a guide to determine whether it should be 60 percent, 55 percent, 68 percent, or some other figure. I cannot say what it will be. I do not know of anyone who can say now, because the field men are supposed to determine whether they can get acreage placed in the soil bank, and on what basis. That has been made very clear to me.

Mr. HUMPHREY. I wondered if the Senator would be kind enough to discuss the conservation reserve, since it is the conservation reserve around which the question directed by the Senator from Florida [Mr. HOLLAND] centered.

Suggestions have been made as to the conservation reserve, and this is what is in our report. This is the material upon which we were basing our discretionary authority to the Secretary. This was supposed to be generous compared to what was being paid.

Conservation reserve incentives:

1. Annual incentive payments in terms of contract.

(a) \$10 per acre, per year average rental for the United States for 3- to 15-year period. Rental rates established on basis of land productivity, agricultural value of land and other factors. Rental rates would encourage farmers to take out their marginal crop land.

(b) County rental rates would vary on the basis of such factors as county yields and value of farmland.

(c) Rates would be established by areas and be based on relative productivity of the land in the area. Farm rental rates would be established on the basis of the rating of the area in which the specified acreage place in "conservation reserve" is located.

It is clearly understood that the conservation reserve benefits are much less than the acreage reserve, particularly since the amount of money provided in the bill for all the conservation reserve, which runs into millions and millions of acres, is \$350 million. Yet the acreage reserve is \$750 million. It is virtually obvious, is it not, that the conservation reserve benefits are less?

Mr. AIKEN. Yes; they will be less; and they will be based upon the land value.

If the Senator has a case which is presented as a guide, and the rental will be \$10 an acre a year, that would probably indicate that the particular land would be valued at \$100 an acre, because, as I understand, the guide issued contemplated the payment of 10 percent for the value of the land.

Mr. HUMPHREY. That is about correct.

Mr. AIKEN. In my State it will run to only about \$85 an acre. In some of the southern counties of the Senator's

State of Minnesota, it will run, I presume, between \$200 and \$250 an acre because of the black soil in the lower tier of counties. In Iowa, the payments will probably run more. But I think the guide which has been sent to the field men suggests 10 percent of the value of the land.

Mr. HUMPHREY. That is correct. We have in our report conservation reserve rental rates. We have, for example, not to exceed \$25 an acre for acreage planting of trees. In no county shall the rate exceed \$20 an acre. That seems to be the guide line we have. I can only work from that.

Mr. AIKEN. I gather it is not contemplated that the best land in the country will be retired.

Mr. HUMPHREY. That is correct. My point was that where a corn farmer placed land under acreage allotments, he would be eligible for the acreage reserve. Where he did not comply, he would obviously be planting. I am certain that where he planted, especially where he planted corn, the land would be good, productive land, and he would be getting a yield from what he planted which would be greater than the conservation reserve.

Mr. AIKEN. I think it is expected that most farmers would put into the conservation reserve some submarginal land, land which is over across the creek and is hard to get at.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. It would be land which might be detached from the farm proper. It might be planted to trees. It was proposed—and here again it was just a proposal thrown out—that the Federal Government would pay 80 percent of the cost of putting a soil-conserving crop or trees on the land, with a maximum payment of \$25 an acre. I believe that is the maximum which is used in most States by the ACP committees.

Mr. HUMPHREY. I would say that is correct.

Mr. AIKEN. But the guides which have been sent out, as I understand, are for the committees to use in determining how nearly they will come to finding a basis on which to achieve the desired results.

Mr. HUMPHREY. I do not think there is any great disagreement between us on this question. The point I was trying to make was that under my amendment, providing for 50 million acres, the acreage would be eligible for all the benefits under the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER], parity payments plus acreage reserve benefits.

The other acreage, over the normal corn base, would be eligible if the farmer wanted it for planting. That acreage would be eligible if the farmer wanted it for planting. It would be eligible if the farmer wished it to be, for the conservation reserve. It would be eligible, if he wished it to be, for other crops.

Mr. AIKEN. If under the Senator's amendment a man decided to take 5 acres out of corn production, he would be paid \$35 or \$40 an acre, if it is decided that 50 percent of the support price

times the average production is a proper incentive. If he took it out of oats or hay land, he would get, presumably 10 percent of the value of the land, if we go according to the guide. We do not know what the percentage will be. If it were \$200 land, and the farmer took it out of production for 3 years, he would receive \$20 an acre. How that would compare with the profit he might make on oats or hay, I do not know; but it would not pay him as well, in my opinion, as it would pay him to take the acreage out of his corn land and get \$40 an acre.

Mr. HUMPHREY. Mr. President, I thank the Senator from Iowa for allowing me to interrupt his discussion.

Mr. HICKENLOOPER. Mr. President, whether my amendment shall be rejected or agreed to, the amendment offered by the Senator from Minnesota is a destructive, wrecking amendment to the farm bill, and is harmful to participation or any kind of cooperation by the Corn Belt.

So whether my amendment be accepted or rejected, certainly the amendment offered by the Senator from Minnesota should be defeated, because it is not a good amendment; it is not a workable amendment.

To go, as the Senator from Minnesota would go, to 50 million acres is exactly where we were last year, as I pointed out a while ago. We had 49,800,000 acres. The plan would not work then; it will not work this year at 50 million acres, because that is no appreciable increase in the allocated acres.

The purpose of the soil bank and acreage reserve is to take productive acres out of production; to retire acres from production. If we set the acreage at 50 million, which is the same acreage as last year, there will not be any more compliance this year than there was last year, when it was approximately 50 percent. That would be approximately 25 million acres in original compliance at the outset, and only 25 million acres would be eligible for retirement into the acreage reserve or the soil bank. There would be 25 million acres plus the other 6,500,000 acres which will be planted next year. All that land would be outside and would be ineligible to participate in the soil bank or acreage reserve. That is the fallacy of the situation.

The Senator from Minnesota and other Senators have said that a large amount of corn acreage is going wild. Of course, nothing is further from what the situation would be. This is, in fact, an acreage allocation, except that it realizes the facts of life; it is a realistic allocation of the average plantings of the past 3 years, and we will continue to have them anyway.

In 1953 there were no acreage allocations. About 56,300,000 acres were in the commercial corn acreage, without any corn allocation. A farmer can plant all the acreage he wants and still have 300 or 400 acres.

So it is not the allocations in the corn situation that make the difference. Corn is essential to a diversified feeding operation and farming operation, and it is going to take just so much corn in a diversified activity to operate the farm plant.

In a normal rotation system, the farmer will have so many acres of corn, and perhaps so many acres of oats, so many acres of alfalfa, so many acres of beans, and he will rotate them under a program. He may have a 2-year rotation program. He may have a 3-year rotation program. Some farmers may have a 4-year rotation program. But farmers rotate their crops, keeping them in general balance, so far as each crop is concerned. The farmer will have his feeding operations.

Senators can thus rest assured that if acreage allocations are put at 43 million this year, there will be fifty-three-plus-million acres in the commercial corn area. If the allocations are put at 53 million, there will be between 56 and 57 million acres of corn in the commercial corn area.

If allocations are put on a realistic basis, at the average of the last 3 years, it will be 56,300,000 acres. That is the acreage of corn there will be in the commercial corn area.

I have covered the reasons why we should be realistic, and permit acres which will actually be planted for feeding operations to participate in the soil bank and be eligible. There is a limitation provided, Mr. President, there is no permission to the Corn Belt to go wild and encourage farmers there to grow all the corn they can. There is a limitation on the number of acres which will be supported. There will be a certain number of acres that can be supported. Farmers who stay within the farm base acreage will be eligible for supports. A farmer will be required to put 15 percent of his productive acres into the soil bank, either into the acreage reserve or into the conservation reserve. It probably would be more profitable for him to put some of his corn acreage into the acreage reserve, because it would pay him more. It is better paying crop, and the formula will probably make it more advantageous for him to do that. But if he exceeds his farm base acreage, he is not eligible for price supports. So there is an inducement for him to stay at the historic base.

So far as concerns punishing farmers who have complied with allocations in the past, and rewarding those who have failed to come into the allocation program in the past, there is nothing to that argument, either, because under the amendment, the 56,400,000 acres, or whatever the correct figure may be, will be divided among the counties in the commercial corn area. Then the formula, going back over the past 5 years planting, will be such that the farmer who has accepted his allocations in the past will be graded up in his farm base, and the man who has overplanted in the past will be graded down, because of his excess, to the point within his farm base acreage. So the farmer who has overplanted will have to come down. He will not need the benefits of the program. The farmer who has underplanted will come up and be able to enjoy benefits of his farm base acreage.

My amendment is thoroughly sound, and the amendment of the Senator from Minnesota would return us to the conditions which were in effect last year, and

which did not work at all. Last year we had 90 percent of parity, involving approximately 50 million acres, and it did not work.

If we have 81 percent of parity, how much less will it work?

The amendment of the Senator from Minnesota, whether it is so intended or not, is a blow at the soil bank program and the program for reduction of surpluses. I do not say it is deliberately intended to be that, but it is a blow at the very heart of the surplus reduction program which is so essential if we are to reduce the total overall supply of feed and bring feed and animals into balance, so that the prices farmers receive for both grains and meat animals will be good and substantial.

Mr. President, the amendment of the Senator from Minnesota is only a waving of the hands of the hypnotist in order to distract attention from the real purpose. I say to you, Mr. President, it should be apparent on its face that to return this year to a system that did not work last year is not only the height of folly, but reasonably intelligent men should not be caught in that kind of trap, if they expect the acreage-reduction program to work in the Corn Belt, and if they expect the soil bank and the conservation reserve to be given a chance to operate. If we realistically look at the proposal, if we realistically examine it, if we have the 56-million-plus acres, under the program, we shall get a 15-percent reduction in the crop-producing acres, and we shall have some real progress toward reduction of the total overall feed supplies, to the price benefit not only of feed, but of all products which come from it.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. ELLENDER. How was the figure of 57 million acres reached? I understand the amendment the Senator has offered would apply that figure as the minimum base acreage for the commercial corn area.

Mr. HICKENLOOPER. It is the average of the past 3 years.

Mr. ELLENDER. I have the figures for the past 3 years. The acreage for 1953 was 56,342,000. In 1954 the acreage was 55,902,000, and in 1955 it was 55,994,000.

Mr. HICKENLOOPER. My figures are a little different. They are 56-million-plus in each year. The figure I have proposed is the average of the three.

Mr. ELLENDER. I presume the figures have been taken from the same source. Mine were supplied by the Department of Agriculture.

Mr. HICKENLOOPER. In 1953 we had allocations of 56 million—

Mr. ELLENDER. 56,342,000 acres. Is that correct?

Mr. HICKENLOOPER. Yes. In 1955 it was 56,342,000.

Mr. ELLENDER. That was in 1953.

Mr. HICKENLOOPER. The figures apply to the same counties which had the plantings in 1955. In 1953 the figure was 56,342,000 acres.

Mr. ELLENDER. And in 1955 it was almost 56 million acres.

Mr. HICKENLOOPER. In 1955 the plantings were 56,047,000 acres.

Mr. ELLENDER. The average is just about 56 million acres.

Mr. HICKENLOOPER. It is slightly over that. I have tended to use the figure of 56-million-plus acres, because I think that is the way it will work out.

Mr. ELLENDER. But it is my understanding that the amendment has the effect of fixing the base acreage at 57 million acres.

Mr. HICKENLOOPER. Not my amendment.

For the average of the 3 years, my amendment will work out at slightly over 56 million acres—somewhere between 56 million and 57 million, and probably nearer 56 million. But we might just as well be realistic about it and make these farmers eligible to comply and to reduce this acreage.

At any rate, Mr. President, I shall conclude.

Mr. HUMPHREY. Mr. President, will the Senator from Iowa yield for a point of information?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. HICKENLOOPER. I yield.

Mr. HUMPHREY. Do I correctly understand that the amendment of the Senator from Iowa requires that a corn farmer who is to be a participant in the program, must set aside 15 percent of his cultivated acres in order that—

Mr. HICKENLOOPER. First, he must stay within the farm base acreage.

Mr. HUMPHREY. Correct.

Mr. HICKENLOOPER. As applied under the 56 million acre formula.

Mr. HUMPHREY. That is the historic base for each farm; is that correct?

Mr. HICKENLOOPER. That is right.

Mr. HUMPHREY. I understand that.

Mr. HICKENLOOPER. Yes. First, he must do that. Then he is eligible for supports, provided he puts 15 percent of his available acres—which can be partly from corn or partly from other crops, or all from corn; but all of it must be from his feed-producing acres—

Mr. HUMPHREY. Yes; he must put aside 15 percent of the equivalent of his cultivated acres—

Mr. HICKENLOOPER. Yes.

Mr. HUMPHREY. So, under the proposal of the Senator from Iowa, the compliance test is every bit as severe as the compliance test under my proposal, for acreage allotments. In other words, I want the RECORD to show clearly that, regardless of what may be the result of the vote which is soon to be taken, under the amendment of the Senator from Iowa, in order for a farmer to be eligible to sell his corn at 81 percent of parity or to be eligible for the acreage benefits, first he must put aside 15 percent of his historic average for his farm, or of his cultivated acres.

Mr. HICKENLOOPER. No; the historical base of his corn acreage; not 15 percent of his total acreage, but 15 percent of the acreage which is devoted to the basic crop he grows.

Mr. HUMPHREY. In other words, he must put aside 15 percent of his corn acreage; is that correct?

Mr. HICKENLOOPER. Let me give the Senator an illustration.

Mr. HUMPHREY. That is what I wish to understand clearly.

Mr. HICKENLOOPER. We may assume that the farmer has 240 acres, although that would not be quite realistic.

Mr. HUMPHREY. Well, Mr. President—

Mr. HICKENLOOPER. Or let us say the corn farmer has 100 acres as his historic corn base, and that he has 200 acres of other land. The 100-acre corn base is to determine the number of acres that 15 percent will amount to. That will be 15 acres.

Mr. HUMPHREY. From the corn acreage?

Mr. HICKENLOOPER. No; from his cultivated acres.

Mr. HUMPHREY. Oh.

Mr. HICKENLOOPER. That is only a factor to determine the amount; and it is 15 percent of the amount of his base acres normally devoted to the production of corn. So he takes out 15 percent.

Mr. HUMPHREY. Mr. President, will the Senator from Iowa read that part of his amendment to me?

Mr. HICKENLOOPER. Yes. It is on page 5 of the amendment, beginning in line 15.

Mr. HUMPHREY. Will the Senator from Iowa read it, please?

Mr. HICKENLOOPER. Yes.

SEC. 406. (a) Notwithstanding any other provision of law, and in lieu of corn acreage allotments for 1956 (which shall be inoperative for 1956), the Secretary shall require as a condition of eligibility for price support on corn, that the producer agree to devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program—

If he takes the 15 percent out of his corn acreage, it will have to go into the acreage reserve program—

or the conservation reserve program equal to 15 percent of such producer's farm base acreage for corn.

We referred to corn in order to get a factor with which to determine what the 15 percent is based on.

Mr. HUMPHREY. So the Senator from Iowa is saying that in order to qualify for the benefits of this program, if a farmer has 100 acres of corn—

Mr. HICKENLOOPER. That is his farm base.

Mr. HUMPHREY. Then he has to take 15 acres out, somewhere.

Mr. HICKENLOOPER. He has to take 15 acres out of his tillable land; and those 15 acres can be taken entirely out of his corn acreage or partly out of his corn acreage and partly out of his other crop-producing land, or entirely out of other crop-producing land.

Mr. HUMPHREY. If he takes the 15 acres out of his corn acreage, he will be eligible for participation in the acreage reserve, will he not?

Mr. HICKENLOOPER. Yes.

Mr. HUMPHREY. And if he takes the 15 acres out of his other acreage, he will be eligible for participation in the conservation reserve, will he?

Mr. HICKENLOOPER. Yes.

Mr. HUMPHREY. But the point is that in order to be eligible, he must take out 15 percent of his historical corn base acreage. In other words, that is a test he has to meet.

I wish to make this point clear, because a few minutes ago the Senator was saying that under my amendment, farmers would not be eligible for participation in the conservation reserve or the acreage reserve unless they complied with the acreage allotments.

Mr. HICKENLOOPER. That is correct.

Mr. HUMPHREY. And the same principle applies under the amendment of the Senator from Iowa.

Mr. HICKENLOOPER. The same principle applies; but if we apply a realistic allocation system which goes back to the average farm acreage base, we have a basis for inducing farmers to come into compliance—an adequate corn base; and in that way the farmer can take out the 15 acres.

But if the figure is put at 55 million acres, in this connection we consider the experience of last year. Only approximately 50 percent agreed to come into compliance, last year; and 50 percent of 50 million acres is only 25 million acres. That would be the total acreage that would be in compliance, and all the acres that would be eligible to come into the soil bank. Instead, I want to get 100 percent of these acres eligible.

Mr. HUMPHREY. Let me say to the Senator from Iowa that under the soil-bank provisions, as now attached to the allotment program, there is a greater inducement or incentive for compliance; and I do not believe it is exactly fair and proper to compare the compliance figures of last year with the possibility of compliance this year.

Furthermore, in order to keep the RECORD clear, I must say that, in the main, the corn producers are corn feeders. Most of the corn producers feed their corn to animals. A very small number of the total number of corn producers are producing for what they call the cash grain market. Is not that a fair statement?

Mr. HICKENLOOPER. There is no question about that. Eighty-five percent of the corn is fed on the place.

Mr. HUMPHREY. Then the compliance figure under acreage allotments is not exactly a true and proper figure in terms of the willingness of farmers to comply.

Mr. HICKENLOOPER. Let me say that perhaps not quite 85 percent of the corn is fed on the farmer's own place, but it is fed to animals in the feeding operations on the farms. In other words, the farmer's neighbor may take some of the corn—or something of that kind.

Mr. ELLENDER. Mr. President, will the Senator from Iowa yield to me for a question?

Mr. HICKENLOOPER. I yield.

Mr. ELLENDER. Assuming that the entire acreage under the Senator's amendment is, let us say, 56 million, would it be possible for the farmers in the commercial corn area to plant the 56 million acres of corn land and still

make themselves eligible for the 81 percent price supports by merely putting into the conservation reserve portion of the soil bank a portion of their remaining acreage which would equal 15 percent of their base acreage?

Mr. HICKENLOOPER. That is right; they could put all of it into the conservation reserve if they wanted to.

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. But I am very certain that it is more profitable for them to underplant their corn base.

Mr. ELLENDER. But the idea is to reduce corn production.

Mr. HICKENLOOPER. That is correct.

Mr. ELLENDER. What I have been trying to point out to the Senator is that under his amendment a farmer can get 81-percent price support on his base corn acreage without reducing his corn acreage by even 1 acre.

Mr. HICKENLOOPER. That is why there is in the amendment a provision to make it attractive to them so as to induce them to underplant their base.

Mr. ELLENDER. I note that in 1955, with an acreage of 49 million—

Mr. HICKENLOOPER. Forty-nine million eight hundred and some thousand.

Mr. ELLENDER. Forty-nine million eight hundred and forty-three thousand acres—there was a compliance of 42.7 percent.

Mr. HICKENLOOPER. That is right—less than half.

Mr. ELLENDER. With the added inducements of the conservation reserve and acreage reserve programs, does not the Senator feel that there would be greater compliance?

Mr. HICKENLOOPER. No; not at all.

Mr. ELLENDER. Why not?

Mr. HICKENLOOPER. The reason farmers did not go into compliance at 49,843,000 acres was that it did not give them enough corn on their places for their operations. They said, "We will forego the benefits of sealing this corn, because it cuts us below the reasonable operation of our plant." That is the secret. If we restore them to the historic farm acreage base, they will be given an opportunity, first, to have enough corn for their operations, and second, to reduce somewhat. But a farmer with a 100-acre base, assuming a total acreage allotment of 49 million acres, would have to cut to 87 acres to be in compliance. On the basis of 43 million acres he would have to cut to about 74 acres. He could not operate under such an arrangement. He is not going to operate under it in most cases. The corn sealing program under that situation is of benefit only, in great measure, to the landlord who has a tenant on his farm. It is not much benefit to the tenant.

Mr. ELLENDER. The Senator realizes that the argument he is advancing could be advanced in the case of cotton, as well as wheat.

Mr. HICKENLOOPER. Not at all.

Mr. ELLENDER. The acreage of the cotton and wheat farmer has been cut to the point where it hurts, and hurts badly.

Mr. HICKENLOOPER. Not at all.

Mr. ELLENDER. Only 4 or 5 years ago cotton acreage was around 28 million acres. It is now down to 17,391,000 acres. To participate in the acreage reserve, the cotton farmers must take their cuts from the 17,391,000 acres this year.

Mr. HICKENLOOPER. That is very true. However, in a diversified farming operation, if we cut down the feed stocks, we close the farms.

Mr. President, I do not think anything would be accomplished by prolonging this argument. Who has control of the time on the other side?

Mr. HUMPHREY. Mr. President, I am perfectly willing to yield back the remainder of my time, if the Senator from Iowa is willing to do the same.

Mr. HICKENLOOPER. I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. Both sides yield back all the remaining time. Therefore, all time is exhausted.

The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Minnesota [Mr. HUMPHREY], to the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

Mr. HUMPHREY. Mr. President, I believe the yeas and nays have been ordered on this question.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HUMPHREY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McCarthy
Allott	Fulbright	McClellan
Anderson	Goldwater	McNamara
Barkley	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bender	Hennings	Murray
Bennett	Hickenlooper	Neely
Bible	Hill	Neuberger
Bricker	Holland	O'Mahoney
Bridges	Hruska	Pastore
Bush	Humphrey	Payne
Butler	Ives	Potter
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Saltonstall
Chavez	Kefauver	Schoeppel
Clements	Kennedy	Scott
Cotton	Kerr	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY], on behalf of himself and other Senators, as a substitute for the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER]. The Secretary will state the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

The CHIEF CLERK. On page 35, after line 14, it is proposed to insert:

MINIMUM NATIONAL ACREAGE ALLOTMENTS FOR 1956 AND 1957 CORN CROPS

SEC. 405. (a) Section 328 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting at the end thereof a new sentence as follows: "The acreage allotment of corn for the 1956 crops shall not be less than 50 million acres in the commercial corn-producing area."

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

On page 35, line 16, strike out "405" and insert "406."

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Georgia [Mr. GEORGE], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote, the Senator from Georgia [Mr. GEORGE] is paired with the Senator from Colorado [Mr. MILLIKIN]. If present and voting, the Senator from Georgia would vote "yea" and the Senator from Colorado would vote "nay."

I further announce that if present and voting, the Senator from Florida [Mr. SMATHERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is detained on official business, and if present and voting, he would vote "nay."

On this vote the Senator from Colorado [Mr. MILLIKIN] is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Georgia would vote "yea."

The vote was recapitulated.

Mr. HUMPHREY. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Minnesota is recorded as having voted in the affirmative.

Mr. ELLENDER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Louisiana is recorded as having voted in the affirmative.

Mr. FULBRIGHT. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Arkansas is recorded as having voted in the affirmative.

Mr. JOHNSTON of South Carolina. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from South Carolina is recorded as having voted in the affirmative.

Mr. DOUGLAS. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Illinois is recorded as having voted in the affirmative.

Mr. KEFAUVER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Tennessee is recorded as voting in the affirmative.

Mr. HOLLAND. Mr. President, am I recorded on this vote?

The PRESIDING OFFICER. The Senator from Florida is recorded as voting in the affirmative.

Mr. LEHMAN. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New York is recorded as having voted in the affirmative.

The result was announced—yeas 44, nays 46, as follows:

YEAS—44

Anderson	Hill	McNamara
Barkley	Holland	Monroney
Bible	Humphrey	Morse
Chavez	Jackson	Murray
Clements	Johnson, Tex.	Neely
Daniel	Johnston, S. C.	Neuberger
Douglas	Kefauver	O'Mahoney
Ellender	Kennedy	Pastore
Ervin	Kerr	Scott
Frear	Langer	Sparkman
Fulbright	Lehman	Stennis
Gore	Long	Symington
Green	Magnuson	Thurmond
Hayden	Mansfield	Young
Hennings	McClellan	

NAYS—46

Aiken	Dirksen	Mundt
Allott	Duff	Payne
Barrett	Dworshak	Potter
Beall	Eastland	Purtell
Bender	Flanders	Robertson
Bennett	Goldwater	Russell
Bricker	Hickenlooper	Saltonstall
Bridges	Hruska	Schoeppel
Bush	Ives	Smith, Maine
Butler	Jenner	Thye
Capehart	Knowland	Watkins
Carlson	Kuchel	Welker
Case, N. J.	Malone	Wiley
Case, S. Dak.	Martin, Iowa	Williams
Cotton	Martin, Pa.	
Curtis	McCarthy	

NOT VOTING—5

Byrd	Millikin	Smith, N. J.
George	Smathers	

So Mr. HUMPHREY's amendment in the nature of a substitute for Mr. HICKENLOOPER's amendment was rejected.

Mr. HICKENLOOPER. Mr. President, I move that the vote by which the substitute amendment was rejected be reconsidered.

Mr. KNOWLAND. Mr. President, I move that the motion of the Senator from Iowa be laid on the table.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado to lay on the table the motion of the Senator from Iowa. On this question the yeas and

nays have been ordered, and the clerk will call the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Georgia [Mr. GEORGE], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Georgia [Mr. GEORGE] is paired with the Senator from Colorado [Mr. MILLIKIN]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from Colorado would vote "yea."

I further announce that if present and voting the Senator from Florida [Mr. SMATHERS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent, and on this vote he is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Georgia would vote "nay."

The result was announced—yeas 47, nays 44, as follows:

YEAS—47

Aiken	Dirksen	Mundt
Allott	Duff	Payne
Barrett	Dworshak	Potter
Beall	Eastland	Purtell
Bender	Flanders	Robertson
Bennett	Goldwater	Russell
Bricker	Hickenlooper	Saltonstall
Bridges	Hruska	Schoeppel
Bush	Ives	Smith, Maine
Butler	Jenner	Smith, N. J.
Capehart	Knowland	Thye
Carlson	Kuchel	Watkins
Case, N. J.	Malone	Welker
Case, S. Dak.	Martin, Iowa	Wiley
Cotton	Martin, Pa.	Williams
Curtis	McCarthy	

NAYS—44

Anderson	Hill	McNamara
Barkley	Holland	Monroney
Bible	Humphrey	Morse
Chavez	Jackson	Murray
Clements	Johnson, Tex.	Neely
Daniel	Johnston, S. C.	Neuberger
Douglas	Kefauver	O'Mahoney
Ellender	Kennedy	Pastore
Ervin	Kerr	Scott
Frear	Langer	Sparkman
Fulbright	Lehman	Stennis
Gore	Long	Symington
Green	Magnuson	Thurmond
Hayden	Mansfield	Young
Hennings	McClellan	

NOT VOTING—4

Byrd	Millikin	Smathers
George		

So the motion to lay on the table was agreed to.

Mr. DANIEL. Mr. President, on behalf of myself and the senior Senator from Texas [Mr. JOHNSON], and the Senator from Minnesota [Mr. HUMPHREY], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR], I offer an amendment which I ask to have read.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Texas.

The LEGISLATIVE CLERK. At the end of the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER] it is proposed to add the following:

(d) The price of grain sorghums, barley, oats, and rye, respectively, shall be supported through loans, purchases, or other operations at a price determined by the Secretary to bear the same ratio to the support price of corn in the commercial corn-producing area

as the feed value equivalents of such grains bear to the feed value of corn: *Provided*, That the producer of such commodities, to be eligible for such price supports, shall have entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres equivalent to 15 percent of the acres devoted to production of such commodities.

Mr. DANIEL. Mr. President, on this amendment I ask for the yeas and nays. The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Georgia will state it.

Mr. RUSSELL. Is the amendment of the Senator from Texas offered as a substitute for the Hickenlooper amendment or as an amendment to the Hickenlooper amendment?

Mr. DANIEL. It is offered as an amendment to the Hickenlooper amendment.

The VICE PRESIDENT. The amendment offered by the Senator from Texas will come at the end of the amendment offered by the Senator from Iowa and is not in the nature of a substitute.

Mr. DANIEL. Mr. President, I yield myself 3 minutes.

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Iowa will state it.

Mr. HICKENLOOPER. As I understand, the amendment offered by the Senator from Texas is an amendment to my amendment. As such, what is the ruling of the Chair as to whether it is eligible to be offered? Is the amendment of the Senator from Texas an amendment in the second or third degree?

The VICE PRESIDENT. The amendment of the Senator from Iowa is an amendment in the first degree; the amendment of the Senator from Texas is an amendment in the second degree; consequently the amendment of the Senator from Texas is in order.

Mr. DANIEL. Mr. President, my amendment simply provides that for grain sorghums, barley, oats, and rye the Secretary of Agriculture shall have the authority to determine a price support to be given to those crops which will bear the same ratio to the price support on corn in the commercial corn-producing area as the fair value equivalent of such grain bears to the feed value of corn.

My amendment contains the same provision as is contained in the amendment of the Senator from Iowa, in that, to be eligible, the producers of these grains must put into one of the reserve programs at least 15 percent of their tillable acreage, which has been devoted to the commodity concerned.

It has already been pointed out in the debate tonight that corn, grain sorghums, and the other feeds are competitive with one another. If we do not provide some support for the other grains, comparatively speaking, as we do for corn, a great injustice will be worked on the producers of the other feed grains.

I placed in the RECORD several days ago, and had placed on the desks of Sen-

ators tonight, a list of the States concerned and the acreages which the various States have in feed grains. Most of the States have as much acreage in feed grains, and as many farmers interested in them, as is the case with corn.

It seems to me it is only fair to those farmers that a similar provision be made for them in the amendment of the Senator from Iowa, if it is to be adopted, so as to take care of feed grains.

Mr. CHAVEZ. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield to the Senator from New Mexico. How much time does he request?

Mr. CHAVEZ. I merely wish to ask the Senator to explain something he has said. I have submitted an amendment designated 3-5-56-E which has not been called up, but which takes care of this particular problem. I was simply wondering whether what the Senator was talking about had reference to that particular amendment.

Mr. DANIEL. Yes; I may say to the Senator from New Mexico that my amendment would accomplish the same purpose as his amendment would accomplish. I have simply offered it now because we are dealing with corn. The two products are very similar, and I think we should not deal with one without dealing with the other at this time.

Mr. CHAVEZ. The amendment I have submitted for myself and on behalf of the Senator from Oklahoma [Mr. KERR] has to do with this particular problem.

Mr. DANIEL. It relates to the same matter.

Mr. CHAVEZ. I should like to have it treated in the same way. Can the Senator from Texas tell me why we should tie this matter to the Hickenlooper amendment?

Mr. DANIEL. It appears from the last vote that the Hickenlooper amendment might be agreed to. If it is agreed to, and if it is to be so liberal to corn producers, it seemed to me that the same consideration should be given to the producers of other feed grains, and that the Senate should act on both matters at the same time.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. HICKENLOOPER. I have told the Senator from Texas that I will not only not resist his amendment, but that I would be very willing to have a proper solution of, for instance, the grain sorghum problem on a comparable support basis, provided acreage limitations could be worked out. But as I read it, what the Senator's amendment does is, for instance, raise the price of grain sorghums and the support price higher than the price of corn in the noncommercial corn area, because corn outside the commercial area is supported at a portion of the support price effective in the commercial area.

The amendment proposes to raise support prices of grain sorghums, oats, and barley, which are supported at a differential price now to the support price effective within the commercial corn area. Then the amendment leaves the corn that is outside the commercial

corn area at a lower level, and the other grains at a higher level. As I understand, that is exactly what the Senator's amendment will do.

If the Senator would want to tie the support levels of these products to corn outside the commercial corn area, that might have a different effect, but I am afraid the amendment will throw the whole grain support program and the differentials out of gear.

Mr. DANIEL. As I understand, the amendment gives the Secretary the power to set the support price in the various areas comparable to the equivalent feed value in those areas. It would not accomplish the result that the Senator says—

Mr. HICKENLOOPER. If I may interrupt, as I read the amendment, it says that the price support of these various grains shall be placed on the basis of their comparable feed value with corn, and the price support shall be the same in comparison to the feed value as the price support of corn in the commercial area.

Mr. DANIEL. That is right.

Mr. HICKENLOOPER. That would raise the price of those grains in the noncommercial area away above the price of corn in the noncommercial area.

Mr. HUMPHREY. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Iowa is now worried about throwing the feed grains out of gear. The amendment of the Senator from Iowa did throw the feed grains out of gear by giving special treatment to corn. May I point out that if this kind of treatment is going to be given to corn, then it should be given to all feed grains which are competitive with other feed grains. It is a sound principle to say that there should be acreage controls when there are support prices, but if there is going to be put into effect a program for a commodity that is a feed grain which does not have acreage allotments, then all the feed grains should be included.

Insofar as grain sorghums are concerned, they have a feed equivalent ratio to corn of about 99.5 percent. There is no reason why grain sorghums should not have a good support price. The Senator's amendment merely provides that the price support level for other feed grains shall be directly related to those of other feed grains. They are all competitive feeds, and they should be treated alike if they are going to be treated at all.

The truth is that they should be subject to allotments and acreage control programs, but if that is not going to be done, then I am going to cast my vote to treat them all alike.

I think it ought to be made crystal clear that the Senator from Texas is trying to do exactly that.

I was a cosponsor of his amendment relating to feed grains, which I think had stricter controls over acreage, but provision is being made for a competitive feed grain, and since one commodity is being singled out for special treatment, the proposal now is to treat all those grains alike.

Since we are dealing with a most unusual and confusing situation, the Senator from Texas has at least brought some semblance of order into a confused pattern.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I should like to tell the Senate what the amendment would do, and then let the Members draw their own conclusions.

It would interfere with the discretion which the Secretary now has to consider factors other than feed values in establishing rates. These include such factors as supply in relation to demand, ability to dispose of stocks, and so forth.

It would raise substantially the 1956 support level, as well as support levels in future years.

For instance, oats are to be supported at 70 percent of parity, which amounts to 59 cents a bushel.

Under the proposed amendment, oats would be supported at 83 percent of parity, or 70 cents a bushel.

Barley, which is now supported at 70 percent of parity, or 93 cents a bushel, would be supported at 81 percent of parity, or \$1.08 a bushel.

Rye, which is now supported at 70 percent of parity, or \$1.16 a bushel, would be supported at 72 percent of parity, or \$1.19 a bushel.

Grain sorghums, which are now supported at 70 percent of parity, or \$1.80 a hundredweight, would have their support prices, by this amendment, raised to 93 percent of parity, or \$2.38 a hundredweight.

I repeat, under the amendment as proposed, grain sorghums would receive 93 percent of parity. This is way above the support for corn in the commercial area, and way, way above the support for corn in the noncommercial area.

The largest increase in cents and percent would be in grain sorghums, where the level would be above the 90 percent maximum now provided by law. Corn could not be supported as high as it is proposed to support grain sorghums under the amendment. The amendment would encourage further increases in this crop, where there already are surpluses.

The amendment would require feed grains to be treated the same as corn, even though there are certain basic differences between the commodities.

Corn producers must comply with allotments, which, for 1956, are 15 percent below 1955 allotments, in order to obtain support. There are no allotments for other feed grains.

Corn producers outside the commercial area receive support at 75 percent of that in the commercial area, whereas the producers of these other feed grains in noncommercial areas, where they are mostly produced, would receive supports based on the full corn rate.

The amendment would make it more difficult to get the farmers of these crops to participate in the conservation reserve.

Furthermore, the amendment would base the support price for rye on feed value, even though it is not a feed grain.

The amendment would tend to encourage increased production, less feeding, and increased acquisition by the Commodity Credit Corporation.

If Senators want support prices for grain sorghums 12 percent above the price of corn in the commercial area and 30 or 40 percent in the noncommercial area, all they have to do is support the amendment.

If I lived in a part of the country which did not produce anything but grain sorghums, I might be for the amendment, but I do not think anyone else could logically vote for it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. Is it true that the adoption of the amendment, if the amendment to which it is attached should later be adopted, would mean that four new mandatory price-support structures would be created?

Mr. AIKEN. I do not think I understand the Senator's question. Probably he can answer his own question better than I can.

Mr. HOLLAND. There are several versions of the amendment which have been called to my attention; but the one I see here reads, in part, as follows:

The price of grain sorghums, barley, oats, and rye, respectively—

These four different commodities—

Mr. AIKEN. That is right.

Mr. HOLLAND. Shall be supported—

Mr. AIKEN. That is right; mandatory support for feed grains.

Mr. HOLLAND. Then is it not true that four new mandatory price-support structures would be added?

Mr. AIKEN. Absolutely; I did not understand the Senator's question the first time.

Mr. HOLLAND. Let me ask the distinguished Senator from Vermont another question: Does he recall, offhand, what percentage of rye is used for feed and what percentage is used for more pleasant purposes?

Mr. AIKEN. I suppose that all that is used for feed is what is swept off the floor after they finish preparing the main crop for more vivacious purposes. [Laughter.]

Mr. HOLLAND. I thank the distinguished Senator from Vermont.

Is the able Senator able to tell me what proportion of the barley crop is used for more pleasant purposes than for feed?

Mr. AIKEN. Well, I am not familiar with those uses, myself. [Laughter.] But I understand that a large percentage of the barley crop is used for purposes other than feed, although I know that in years when corn has been in short supply, barley has been used as a substitute.

Mr. HOLLAND. Is it not true that, considering the fact that the mandatory price supports which would be required to be extended to grain sorghums, barley, oats, and rye are to be measured against the support price of corn in the commercial corn-producing area "at a price determined by the Secretary to bear the same ratio to the support price of corn in the commercial corn-producing

area as the feed value equivalents of such grains bear to the feed value of corn," such an arrangement would completely upset the grain producing structure of the Nation, outside of the commercial corn-producing belt?

Mr. AIKEN. Yes; I cannot imagine a more effective way to upset the grain-producing structure.

Mr. HOLLAND. Is it not true that under this structure, for instance, oats, when produced throughout the South in the noncommercial corn area, would be given a support price based upon the support price of corn in the commercial corn-producing area?

Mr. AIKEN. That is entirely correct.

Mr. HOLLAND. And therefore that would be completely out of line with the support price for the supply of corn in the commercial corn-producing area?

Mr. AIKEN. That is true; oats would be supported at 70 cents a bushel. I do not know how many pounds there are to the bushel—32 pounds to the bushel—against \$1.05 a bushel for 56 pounds of corn.

Mr. HOLLAND. Mr. President, will the Senator from Vermont yield for another question?

Mr. AIKEN. I yield.

Mr. HOLLAND. Then is it not true that instead of stabilizing agriculture, in a large part of the Nation this particular procedure, if it becomes law, would revolutionize a large part of agriculture and would do as much to unbalance it as it would be possible to imagine?

Mr. AIKEN. I think "demoralize" would be a better word to use in that case, rather than "revolutionize."

Mr. HOLLAND. I thank the Senator from Vermont for suggesting that better word.

Mr. CHAVEZ. Mr. President—

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from New Mexico?

Mr. CHAVEZ. No, Mr. President; I do not want the Senator to yield to me. I wish to speak in my own time.

Mr. DANIEL. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I should like to have about 10 minutes in which to make a statement. Grain sorghums are just as important to New Mexico as citrus fruits are to Florida.

Mr. DANIEL. Mr. President, I yield 10 minutes to the Senator from New Mexico.

The VICE PRESIDENT. The Senator from New Mexico is recognized for 10 minutes.

Mr. CHAVEZ. Mr. President, I shall begin by calling attention to a very famous case, the so-called Dartmouth College case, in which Daniel Webster participated. In that case Daniel Webster said, "Yes, we are small, we are little, but we love our State."

Mr. President, the farmers in New Mexico may not raise as much corn as the amount of corn that is grown in Iowa and fed to pigs in Iowa; but in New Mexico we do produce a little sorghum. I maintain that my vote here and my oath here are as important as

are those of the Senator from Iowa—and they are. [Laughter.]

Mr. President, there is very little to the amendment that I have in mind. Senators may laugh all they wish, but this is a serious matter.

I have tried to be fair with every State in the Union, and I wish to be fair now. But I do not think it is fair to say that great care must be taken because there are so many million pigs in Iowa, but not much attention need be paid to the sorghum which is raised in Texas, Oklahoma, New Mexico, and Arizona. I do not think the Senator has that situation in mind, and probably he was a little embarrassed that we could not take care of our own little problems in New Mexico.

Mr. President, let us consider equity and fair play. Why should the pig raisers of Iowa be taken care of, and not the poor sorghum growers in New Mexico? We in New Mexico do not make as many millions as do the folk in Iowa; but our farmers pay taxes just as the farmers in other States do.

I believe this proposal is completely unfair; I actually feel that the amendment of the Senator from Texas should be considered in connection with my amendment, which reads in part as follows:

SEC. 304. Notwithstanding the foregoing provisions of this title, price support shall be made available to producers of barley, oats, rye, and grain sorghums at a price determined—

Not by New Mexico, not by Texas, not by Arizona, not by Oklahoma, but—

by the Secretary to bear the same ratio to the support price of corn in the commercial corn-producing area—

And so forth. Mr. President, is this the United States, or is it just Iowa and Iowa pigs? [Laughter.]

Is this the United States, where everyone should have fair play; or is it only the Iowa pigs that should be protected? In all sincerity, Mr. President, I ask, Is that fair?

I think I can complete, within the time which has been allotted to me, my remarks on the amendments which I desire to submit on behalf of myself and the Senator from Oklahoma [Mr. KERR].

A little sorghum is grown in Oklahoma, although I do not know how many pigs are raised in Oklahoma, as compared to the number of pigs raised in Iowa; I suppose there are not so many.

But, Mr. President, the purpose of our amendment is to provide for a more realistic price-support level for sorghum grain to be calculated at the commodity's feed-value ratio to corn. We are simply proposing to bring two important feed grains into a more fair adjustment. That is to say, we in the commercial-sorghum area of the West want to have sorghum treated fairly by the Secretary of Agriculture. Of course, I do not know whether he will do so; but we would like to have that done. According to the newspaper stories and the reports on the radio, the television, and elsewhere, the Secretary of Agriculture does not seem to be treating very many people right. But we see that attempts are being made to have the pigs in Iowa

treated all right, on account of what will happen in November.

However, we wish to have the Secretary of Agriculture and the Republican national administration in power treat the commercial sorghum area of the West on a par with the Corn Belt.

Of course, Mr. President, the two Senators from Iowa do not have any more votes in this body than do my colleague from New Mexico and I.

It has been determined by the Department of Agriculture, through very carefully conducted studies, that the feed value of one bushel of sorghum grain is almost equal to that of a bushel of corn. But we do not want only corn to be considered in this connection. In New Mexico very little corn is raised, but a little sorghum is raised there.

As a matter of fact, the feed value of sorghum grains to corn varies from about 90 percent to 105 percent, depending upon the particular animal to which it is fed. However, the average is almost 100 percent. If it is fed to a pig in Iowa, that is one thing. If it is fed to a lamb in New Mexico—a lamb that will be sent to Fort Worth, Kansas City, or Omaha—that is a different matter. This means that the price of one is out of relationship with the price of the other. I am referring now to the imbalance of sorghum grains in relation to corn. Changes in the utilization of one or the other occur with financial disadvantage to one producer or the other. Under the doctrine of equality before the law, why should the corn producer of Iowa be treated better than the Sorghum producer of Oklahoma or New Mexico? All we are asking, and all we are entitled to, is equality under the law. We in the commercial sorghum grain area of the West have suffered a financial beating. Is that good for the Treasury Department?

So far as I know, sorghum grain is the only commodity with respect to which Secretary Benson—the popular Secretary Benson, of the Department of Agriculture—abruptly dropped the support price to the minimum of 70 percent, with one stroke of the pen. I believe it is now 70 percent.

Any effort to stabilize the feed grain production in the interest of all—not Iowa alone, not New Mexico alone, but in the interest of the American people, as it should be—must take into account the feed value ratio when setting the price-support levels.

In the past the establishment of price-support levels for the secondary feed grains has not been mandatory upon the Secretary of Agriculture, as has been the case with respect to the basic crops. Instead, the establishment of such levels was left to the discretion of the Secretary.

Secretary Benson's use of this discretion has been such that I now feel it is incumbent upon the Congress to act. I took the same oath of office as did all other Senators. In fairness to the agricultural producers of the country, the Congress of the United States should instruct the Secretary of Agriculture.

Suppose nothing were involved but corn from Iowa. Suppose there were no wheat from Kansas or North Dakota, or

tobacco from Connecticut. What would we do? Would we quit? I do not think so.

The Congress should act to instruct the Secretary of Agriculture specifically as to how to arrive at a price support level for these important feed grains. The support price of the sorghum grains was dropped by the popular Secretary of Agriculture from \$2.38 a hundredweight in 1952 to \$1.78 a hundredweight in 1955, or a reduction of 25 percent.

I leave it to the conscience of Senators. Is that fair? Was the same action taken with respect to the potatoes of Maine or Idaho, or the particular products of the home States of other Senators? I do not think so.

The support price for sorghum grain is not set at a mandatory level by Congress. Congress never did pass judgment upon support prices for sorghum. That was left to the discretion of the popular Secretary of Agriculture.

I have in my hand a table showing production of the principal Southwestern sorghum grain-producing States.

In New Mexico in 1952 we produced 903,000 bushels, a small item in the scheme of things; but in 1955 we produced 4,356,000 bushels.

Texas, so ably represented by the Senator who offered the amendment, in 1952 had 48,236,000 bushels; in 1955, 144,711,000 bushels.

I invite the attention of Oklahoma, Senators to the next item. In 1952 Oklahoma had 4,248,000 bushels; in 1955, 13,375,000 bushels. This increase in production, in a period when the support prices were reduced 25 percent by the popular Secretary of Agriculture, was made in the face of repeated assertions that when the price of an agricultural commodity is reduced, production is also reduced in automatic response.

The VICE PRESIDENT. The time of the Senator from New Mexico has expired.

Mr. CHAVEZ. May I ask for 5 additional minutes?

Mr. DANIEL. Mr. President, I yield 5 additional minutes to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Texas.

In the United States as a whole the total production of sorghum grains increased from 83,024,000 bushels in 1952 to 232,638,000 bushels in 1955. In the same period, from 1952 to 1955, the season average market prices received by farmers for sorghum grain, per bushel, were as follows:

New Mexico, in 1952, \$1.56; in 1955, 95 cents, or a reduction of 39 percent.

In Texas, so ably represented by the Senator who offered the amendment, the value in 1952 was \$1.58; in 1955, 95 cents—down 40 percent.

In Oklahoma the value in 1952 was \$1.60; in 1955, 95 cents, down 41 percent.

For the United States as a whole the price of sorghum grain throughout the country in 1952 was \$1.57. Do Senators know what the price is now, in every one of the States? It is 99 cents.

If feed grains were supported at the feed value equivalent of corn, at 90 percent of old parity, the support price for

grain sorghums would be 108 percent of the January 15 parity figures, or \$2.78 a hundredweight, \$1.56 a bushel. The support price for corn would be \$1.64. Sorghum grains are still low—\$1.56 for sorghum grains, and \$1.60 for corn.

The Secretary of Agriculture has set the support prices for the sorghum grains at \$1.80 a hundredweight for 1956. This is \$1 a bushel.

With respect to State production in 1955, the production in New Mexico was 4 million bushels plus. The income, at the Department of Agriculture's support prices, would be \$4,390,000 plus. The income based upon feed value equivalent would be \$6,782,392.

In Texas the 1955 production was 144,711,000 bushels. The income at the support prices suggested by the Secretary of Agriculture would be \$145,868,688. The income on the basis of feed value equivalent, using old parity, would be \$225,315,027. There is a difference as between \$145 million plus and \$225 million plus.

In Oklahoma the production in 1955 was 13 million bushels plus. The income, at the Agriculture Department prices, would be \$13,482,000. On the basis of feed value equivalent, the income would be \$20 million plus. Do not Senators believe that the difference between \$13 million, the figure of the Department of Agriculture, and \$20 million, based upon feed value equivalent, means something to Oklahoma? Is not Oklahoma a part of the Union?

The VICE PRESIDENT. The time of the Senator has again expired.

Mr. CHAVEZ. I am sorry, Mr. President. I should like to have 3 additional minutes.

Mr. DANIEL. Mr. President, I yield 3 additional minutes to the Senator from New Mexico.

Mr. CHAVEZ. That applies to the United States as a whole. That includes Delaware and Connecticut and New Jersey, and all the other States in the United States of America. The Senators are from a particular State, but they represent all the United States.

I continue to read from the table before me. Nineteen fifty-five production, 232 million bushels-plus. The income at the Benson support price—I have not been using his name before. I have been saying Secretary of Agriculture. The United States production in 1955, by bushels, was 232 million bushels-plus. The income at the Benson support price would be \$234,499,104. The income at feed value equivalent, using the old parity, would be \$362,217,366. That is for the United States as a whole.

Do Senators believe that Uncle Sam is not interested, or that the people of the United States of America are not interested, in a difference in the support price under Mr. Benson, of \$234,499,000, and in the income feed value of \$362,217,366? That is a simple matter of 2 and 2 making 4.

Mr. President, I should like to read to the Senate a resolution adopted by the New Mexico Farm and Livestock Bureau. It reads as follows:

Whereas the grain sorghum producers have been discriminated against because of

uncontrolled diverted acres and Government regulations; and

Whereas due to the comparable feed value of grain sorghum and corn as feed grains in industrial uses—

They are referring here to Mr. Benson—

Be it resolved, That the Secretary of Agriculture designate as commercial grain sorghum areas, those areas having produced grain sorghums commercially prior to 1951, and that the same formula for marketing loans be applied to grain sorghum as corn marketing loans are based on. Marketing loan rates on grain sorghum produced in noncommercial areas should be reduced in the same proportion as loan rates on corn, produced in noncommercial corn areas.

I had a letter a few days ago from a gentleman living at Clovis, N. Mex., who said that while corn growers in the Midwest have lamented their difficulties in realizing any profit even with their price advantage, someone should realize that in the Southwest and New Mexico, the cost of production is equal to, and usually greater than that of corn, yet the consumptive value is still the same.

Let me read to the Senate only two sentences from this letter:

It is needless to say that the grain sorghum farmer is facing an impossibility with the present status of his business. These facts have become so obvious a threat that the banks in this area are refusing loans to many farmers for the coming year. We can furnish documentary evidence of this should it be of any benefit to the cause.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The time of the Senator from New Mexico has expired.

Mr. KNOWLAND. Mr. President, I yield 5 additional minutes to the Senator from New Mexico.

Mr. CHAVEZ. I do not believe I will need 5 minutes, but I thank the Senator from California very much.

If we are going to support the corn farmer—and I am for the corn farmer, and I want to support the corn farmer and the wheat farmer and the cotton farmer, and of course, we should not forget, under our system of government, the other growers as well—let us be fair to the sorghum grain growers of the Southwest and West.

The sorghum grains are grown in California—that is the State represented so ably by the Senator who has just now yielded me 5 additional minutes—in Arizona, Colorado, Texas, Oklahoma, Kansas, Nebraska, and in New Mexico.

I am not asking for any special privilege. We are all for the farmer, and we are dependent on what he raises. A farmer is a farmer. He goes through the same trials and tribulations that the producer of wheat and corn goes through, whether he produces sorghum in California or in New Mexico. All we want is a fair deal. I believe that the amendment offered by the Senator from Texas [Mr. DANIEL] should be agreed to.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the acreage and production of feed grain in the United States for 1955.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Acreage and production of feed grains in the United States, 1955

State	Oats		Barley		Rye		Sorghum grain		Total feed grains	
	Acreage	Production	Acreage	Production	Acreage	Production	Acreage	Production	Acreage	Production
	Thousand acres	Thousand bushels	Thousand acres	Thousand bushels	Thousand acres	Thousand bushels	Thousand acres	Thousand bushels	Thousand acres	Thousand bushels
Maine.....	83	2,490	2	52					85	2,542
New Hampshire.....	2	70							2	70
Vermont.....	21	735							21	735
Massachusetts.....	2	78							2	78
Connecticut.....	3	99							3	99
New York.....	710	29,820	88	3,168	12	252			810	33,240
New Jersey.....	41	1,681	23	851	12	252			76	2,784
Pennsylvania.....	793	34,099	222	8,436	22	462			1,037	42,997
Ohio.....	1,365	70,980	65	2,502	32	656			1,462	74,138
Indiana.....	1,315	68,380	82	2,542	96	1,584	1	35	1,494	72,541
Illinois.....	3,168	177,408	140	4,760	105	1,785			3,413	183,953
Michigan.....	1,466	67,436	129	4,580	40	600			1,635	72,616
Wisconsin.....	2,807	138,946	63	2,205	44	550			2,914	141,701
Minnesota.....	4,828	197,948	1,155	28,298	112	1,680			6,095	227,926
Iowa.....	5,738	258,210	20	660	22	374			5,780	259,244
Missouri.....	1,511	60,440	436	11,554	70	950	93	2,325	2,110	75,299
North Dakota.....	1,968	55,104	3,568	82,064	585	9,360			6,121	146,523
South Dakota.....	3,872	100,672	503	9,306	321	4,012	65	1,008	4,761	114,998
Nebraska.....	2,095	54,470	200	4,000	164	1,886	713	7,843	3,172	68,199
Kansas.....	1,171	32,202	688	12,384	69	690	2,772	31,878	4,700	77,154
Delaware.....	10	375	12	396	15	270			37	1,041
Maryland.....	73	2,993	86	3,354	15	292			174	6,639
Virginia.....	183	6,954	110	3,850	22	385			315	11,189
West Virginia.....	57	2,080	14	462	2	28			73	2,570
North Carolina.....	528	18,480	56	1,652	18	252	108	3,024	710	23,403
South Carolina.....	780	21,450	18	369	15	165	16	304	829	22,288
Georgia.....	644	16,744	9	162	10	95			663	17,001
Florida.....	40	960							40	960
Kentucky.....	164	4,592	125	2,875	20	270			309	7,737
Tennessee.....	327	9,483	50	1,440	21	220			428	11,143
Alabama.....	300	7,800					46	874	346	8,674
Mississippi.....	512	15,360							512	15,360
Arkansas.....	456	15,960	30	600			61	1,372	547	17,932
Louisiana.....	107	3,852					5	100	112	3,952
Oklahoma.....	706	12,002	224	2,912	70	490	1,070	13,375	2,070	28,779
Texas.....	1,492	26,110	148	2,072	17	110	6,297	144,711	7,954	173,003
Montana.....	375	13,875	1,397	41,910	19	304			1,791	56,089
Idaho.....	209	10,032	576	18,432	5	75			790	28,539
Wyoming.....	145	4,205	129	3,612	8	88			282	7,905
Colorado.....	146	4,526	355	8,875	34	238	660	4,950	1,195	18,589
New Mexico.....	21	567	28	700	7	70	363	4,356	419	5,693
Arizona.....	11	550	188	11,280			133	6,783	332	18,613
Utah.....	39	1,677	190	7,790	8	80			237	9,547
Nevada.....	6	246	16	560					22	806
Washington.....	166	7,636	732	18,300	31	326			929	26,262
Oregon.....	301	10,327	559	17,888	15	218			875	28,433
California.....	176	5,632	1,781	64,116	8	88	194	9,700	2,159	79,536
Total.....	40,933	1,575,736	14,247	390,969	2,066	29,187	12,597	232,638	69,843	2,228,530

Source: Crop Production, 1955 Annual Summary, published by Agricultural Marketing Service, U. S. Department of Agriculture.

Mr. DANIEL. Mr. President, I yield 2 minutes to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I should like to tell the Senate something about the record of previous feed-grain supports. In 1952 corn was supported at 90 percent of parity, barley at 80 percent of parity, grain sorghums at 80 percent of parity, and oats at 80 percent of parity.

In 1953, corn was supported at 90 percent of parity; barley, at 85 percent of parity; grain sorghums, at 85 percent of parity; and rye at 85 percent of parity.

What the amendment offered by the Senator from Texas would do would be to restore the situation which existed 2 or 3 years ago. It has been customary to support the feed grains on a feed ratio basis with corn. That practice was dropped some 2 years ago when oats, barley, rye, and sorghum were dropped from 80 to 85 percent down to 70 percent of parity. These levels of support in years gone by did not disrupt the production of those commodities. I do not know why it would do it now.

If we are going to adopt a new theory of flexible price supports, basing it on political expediency instead of on surpluses, then, of course, the amendment should not be adopted.

I was amazed the other day to hear the Secretary of Agriculture say what he was going to do for cotton. He went on to brag about how many additional votes he would get in the Senate by the adoption of that kind of program.

Now it appears that a similar program has been agreed upon for the corn farmer.

I know that the corn farmers need some help, and I was willing to go along with the 52 million acre basis. However, when we are restoring the corn acreage to the historic level of the past 5 years and giving the corn producers a higher support than the wheat producer and the producers of other commodities, we are doing a grave injustice not only to the wheat farmer, but to the dairy farmer as well. It is the most unheard of thing since I have come to the Senate.

Mr. DANIEL. Mr. President, I yield 5 minutes to the Senator from Kansas.

Mr. CARLSON. Mr. President, I supported the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER]. I did it with the thought that there were provisions in it of which I did not approve but which offered an opportunity of adjustment in conference; and certainly some of these matters will have to be worked out in conference.

There are several areas in the United States which produce grain sorghums, and those areas are just as much commercial areas as the commercial corn areas of Iowa and Illinois, for example. In several States in the West the feeding ratio and the feeding value of the sorghums are practically the same as corn.

In the past few years and at the present time we have been getting a parity price support of 70 percent. I fail to see how the Senate can this evening vote to do anything for corn on a loan basis and a parity price basis, and not do something for the sorghums, when their com-

parable feed basis is the same as corn and the area is just as commercial as the corn area.

Therefore, I say that if we wish to be fair, we should support the amendment.

I should also like to say that I would be very much opposed to the sorghum grains of the country securing anything more than commercial corn secures. The Senator from Vermont [Mr. AIKEN] thought it might go to 93 percent. I would be opposed to that. But I think that they should be on a fair basis, and the 70 percent we have been operating under and are at the present time, is unfair and not realistic. I therefore sincerely hope that the Senate will adopt the amendment and let it go to conference. After all, that is where the bill will be written, not only with respect to this amendment, but with respect to many others as well.

Mr. THYE. Mr. President will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. THYE. Did I correctly understand the Senator from Kansas to be referring to corn grown in the commercial area?

Mr. CARLSON. I believe I stated that there are commercial areas for corn, and that the sorghum-growing areas are in a similar situation.

Mr. THYE. If the amendment relates to corn, rather than to corn in the commercial area, I think the amendment is a very good amendment.

Mr. CARLSON. I think the Senator from Minnesota and I are in accord. The only problem is that we cannot work these things out on the Senate floor; we have to work them out in conference. Possibly in a conference we can get a bill which is fair to all these farm commodities.

Mr. DANIEL. Did I correctly understand the Senator to say that if the words "corn in a commercial area" were stricken, it would be a good amendment?

Mr. THYE. If it is related to corn as a nationwide commodity, then I think it would be a fair and just amendment, but if it has reference to corn tied strictly to the commercial area and under the quota system in that area, then I think it is an unfair amendment.

Mr. DANIEL. Mr. President, I ask unanimous consent that the amendment be modified—

The PRESIDING OFFICER. The Senator can modify his amendment without unanimous consent.

Mr. DANIEL. I modify the amendment by striking out the words "in the commercial corn-producing areas." The amendment would then apply to corn, generally, over the Nation.

Mr. HICKENLOOPER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. HICKENLOOPER. Does the Senator interpret that to mean that in applicable areas it would apply to corn and not be tied in solely and only to corn in the commercial areas?

Mr. DANIEL. That is correct. I think the modification would meet one of the objections which has been raised.

Mr. CHAVEZ. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield to the Senator from New Mexico 1 minute.

Mr. CHAVEZ. Mr. President, I agree to the modification. I was willing to agree with the Senator from Minnesota and the Senator from Iowa to strike out the language to which objection was made.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas [Mr. DANIEL], as modified.

Mr. MUNDT. Mr. President, it seems to me the amendment is now in such shape that we can all vote for it. It makes sound economic sense. It provides for the comparative prices of grain at the price level at which corn is supported. I appreciate the changes which have been made, and I suggest that the request for the yeas and nays be withdrawn.

Mr. CHAVEZ. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. CHAVEZ. The only thing I had in mind was the sorghum grains.

Mr. MUNDT. That has been attended to by the modification of the amendment.

Mr. DANIEL. Mr. President, I yield 10 minutes to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I should like to find out what the effect of the amendment is and what it does. I wish thoroughly to understand it before there is a vote on it, and I would suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, I should like to have an agreement that the time taken by the quorum call shall not come out of the time allotted to either side.

Mr. AIKEN. I do not care about a quorum call, but I want a few minutes to find out the effect of the change in the amendment.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be a quorum call without the time being taken out of either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 5 minutes, or such additional time as he may need, to the Senator from Vermont.

Mr. AIKEN. Mr. President, as the amendment is now worded, it is rather ambiguous. It reads:

The price of grain sorghums, barley, oats, and rye, respectively, shall be supported through loans, purchases, or other operations at a price determined by the Secretary to bear the same ratio to the support price of corn in the commercial corn-producing area as the feed-value equivalents of such grains bear to the feed value of corn.

I explained that if the words "in the commercial corn-producing area" were used, support prices would be thrown

out of line. If we tied the amendment to corn in noncommercial areas, it would be found that the support prices for other commodities would be thrown out of line somewhat the other way.

For instance, the support for barley now is 93 cents. It would drop to 81 cents. The support for oats now is 59 cents. It would drop to 52 cents. The support for sorghum now is \$1.80. It would increase to \$1.88.

I will have to confess that I do not know the answer. I would not want to undertake tonight to put the amendment into proper form. It has been said that we should agree to some amendment and send it to conference. I am not sure that that would be the best way to handle the matter. It might be adjusted in conference; it might not be. It might make just so much extra work in conference.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. Is the Senator from Vermont able to state to what extent the price of oats in the noncommercial corn areas would be dropped by the amendment as it is now worded?

Mr. AIKEN. It would be dropped 7 cents a bushel. Barley would be dropped 12 cents a bushel. Sorghum would be increased 8 cents a hundred pounds.

Mr. HOLLAND. But so far as oats and barley are concerned, the support prices of both commodities would be reduced, which should not occasion any trouble.

Mr. AIKEN. There would be a drop if the support price for corn in the noncommercial area were used as a base. There would be distortion, as I pointed out before, and as the Senator from Florida ably pointed out, if the commercial area were used.

Mr. HOLLAND. Then, under the amendment as reworded now, the farmers who produced oats and barley in the noncommercial corn area would be asked to go along with an appreciable reduction from their present pricing, in order to be neighborly to some persons elsewhere who produced grain sorghum.

Mr. AIKEN. That is true. I am not certain they would be glad to do so. If the price support were tied to the commercial areas in the commercial States, there would be one price for oats in Iowa, and a price 25 percent less for the support of oats in North Dakota.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. How much would the amendment raise the present support price for oats, barely,* and rye in the commercial area?

Mr. AIKEN. This is somewhat ambiguous. In the commercial area, oats would go up from 59 to 70 cents, and barley from 93 cents to \$1.08 in the commercial area.

Mr. YOUNG. If it did that, it would naturally raise the cash price in the commercial area, and the feed producers in the noncommercial area would benefit. I think it is the wrong way of doing it, but they would be better off than they are now.

Mr. AIKEN. I am not sure that interpretation is correct. There may be some way to work that out. I do not feel equal to making a suggestion tonight.

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana yield for an inquiry?

Mr. ELLENDER. I yield.

Mr. KNOWLAND. Since there seems to be some difference of opinion as to what the amendment does, perhaps, if some study of it could be made overnight, facts might be presented to the Senate so that the amendment would do what the sponsors hope it will do, rather than do something else. Since it is now 10 o'clock, I was wondering how much longer the Senator from Louisiana expected to continue the session this evening.

Mr. ELLENDER. Earlier today I gave notice that the Senate would remain in session until 9:30 p. m. It is now 10 o'clock. So far as I am concerned—

Mr. KNOWLAND. It is not the intention of the minority leader to suggest when the Senate should adjourn, because it is the function of the majority leader to determine the hour of adjournment, but I did raise the point in view of the apparent misunderstanding that exists about the amendment, with the various changes which have been made in it. I thought we might legislate better if we could have an opportunity to develop some facts as to what the various versions of the amendment mean.

Mr. ELLENDER. It would be agreeable to me to have the Senate recess until tomorrow at 10 or 10:30 a. m.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Minnesota out of my time on the amendment.

Mr. HUMPHREY. I wish to make a few comments in view of the apparent confusion. The argument was made earlier that if the price supports of the feed grains were tied to those of corn in the commercial area, and there were a price differential relating to the feed grains, that would be very hard upon the noncommercial areas. So the language relating to the commercial area was deleted, leaving it to the Secretary to relate the price of feed grains in the commercial areas to commercial area corn prices, and to relate the price of feed grains in the noncommercial areas to noncommercial area corn prices.

That is not confusing. Where there exists a noncommercial area corn price, we relate the feed price to that particular area on the feed equivalent basis. Where there is a commercial area corn price, we relate the feed price to the commercial area corn prices.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. In relating the feed price to the noncommercial area corn price, will that result in a reduction in the present prices of corn? Mine is a noncommercial area. If I voted for the amendment, would I be voting to lower the prices of barley, and such commodities, in Arkansas?

Mr. HUMPHREY. The Secretary at the present time can reduce the price at any time he wants to under the discretionary formula. We would be relating the feed grain prices in each area to the corn price in that area. When there is a noncommercial area for corn, the feed grain price would be related to that particular price structure.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. I wonder if the Senator from Minnesota will check the figures as I give them.

In the case of oats, the feeding value of oats is approximately 88 percent of that of corn. Adjusting that for a 32-pound bushel of oats, comparative to a 56-pound bushel of corn, this would give a factor of 0.529 times the price of a bushel of oats. With corn at \$1.40, this would mean the equivalent price of oats would be 70 cents a bushel.

If we take 25 percent off that, in the noncommercial area the support level of oats will be one-fourth off 70 cents, and therefore will be far below the present support price.

Mr. HUMPHREY. Will the Senator tell us what the price of corn is in the noncommercial area?

Mr. ANDERSON. Twenty-five percent below \$1.40.

Mr. HUMPHREY. Our purpose is to keep the feed grains in balance. The problem is that they are not in balance.

Mr. ANDERSON. All I seek to point out to the Senator from Texas, who is the sponsor of the amendment, is that now that he has taken out the word "commercial," he would drop the support level on grain sorghums from \$1.78 to a figure which is one-fourth below \$2.37; \$2.37 is about \$2.40. Taking 25 percent of that, which is 60 cents, that is \$1.80. We come out about even. So why adopt the amendment?

Mr. DANIEL. As I understood the figures quoted by the Senator from Vermont, the price of sorghum would be raised from \$1.80 to \$1.88.

Mr. ANDERSON. If the Senator from Vermont will give us the authority for the increase, that is all right, but the Senator from Vermont will agree that the value of sorghum is .95 that of corn. Against a price of \$1.40, that gives a price of \$2.30 per hundredweight for grain sorghums. If it comes 25 percent below that, it comes down to about \$1.78, and the present support price is \$1.78.

Mr. HUMPHREY. The present support price is that, but, under the law, the Secretary can lower the support price to any point he desires. Under the amendment proposed by the Senator from Texas the support price must be related to the feed equivalent value of corn, and there is a great deal of difference.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. My understanding is that while the Senator is correct in his statement that the Secretary of Agriculture can adjust the support price, I do not believe he can make an arbitrary 25-percent differential between the oat support price in a county in the commercial

corn area and that in an adjoining county outside the commercial corn area. I think the Senator will find that the support price for oats is identical in the commercial and noncommercial area, and that a real penalty will be imposed upon the producers of oats and barley in the noncommercial corn area if their price is supported at a lower level than that in the commercial area. We are all ill-informed tonight. I think it is a good time to recess so we can get the actual facts on this very important matter.

Mr. HUMPHREY. As the Senator from Florida knows, there is a problem involved in feed grains. We have worked on that problem very much in the committee. It is a complicated problem. No one can deny that. I want to say very frankly—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, I ask that I may have 2 additional minutes.

Mr. KNOWLAND. I yield 2 additional minutes to the Senator from Minnesota.

Mr. HUMPHREY. I thank the minority leader.

I agree that the task before us, particularly in the light of the Hickenlooper amendment, which relates to the most basic feed grain of all, namely, corn, is to try to bring into reasonable balance, prices for other feed grains as related to corn, and as they relate to the feed equivalent. That is the purpose of the Daniel amendment, of which I am proud to be a cosponsor.

This is a job that needs to be done, and the Senator from Florida pointed out that the commercial corn areas would have some discriminatory effect on noncommercial areas as compared with commercial areas. We are trying to bring feed prices into their proper relationship.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. It is true that the first suggested form of the amendment would have worked a hardship in the noncommercial corn areas, by lifting the price structure for grain sorghums, barley, oats, and rye to a level to compare with the price of corn in the commercial corn-producing area. But now the reverse has been accomplished by the wording of the amendment, unless I have been misinformed.

So, again, I suggest that it is desirable for the Senate to take a recess at this time until tomorrow.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. CLEMENTS. Mr. President, it appears that approximately 1 hour is still available on the amendment. For that reason, and because it is my understanding that Senators on both sides of the amendment will consume the remaining 25 minutes and 35 minutes, respectively, the acting majority leader is about to make a motion.

Mr. CHAVEZ. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I would prefer to have this amendment rejected tonight, rather than to continue to take what I have been taking in this case.

Mr. CLEMENTS. Mr. President, I do not wish to see the Senator's amendment rejected.

Mr. CHAVEZ. Very well.

Mr. CLEMENTS. But there has been a reasonable understanding between the leadership that the Senate would not continue in session beyond 9:30 or 10 o'clock tonight.

For that reason, I think we should keep faith with the membership; and this matter can be taken up again, following the convening of the Senate at 10 a. m. tomorrow.

Mr. KNOWLAND. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I am happy to yield to the distinguished Senator from California.

Mr. KNOWLAND. I should like to ask about the program for tomorrow. I understand that it is the intent of the Senator from Kentucky to have the Senate take a recess from tonight until 10 a. m. tomorrow, and then, I assume, to continue in session into the evening, to approximately the same hour we have remained in session tonight, or perhaps a little later. I should like to have the Senator from Kentucky state his intention in that respect.

Mr. CLEMENTS. It is the intention of the acting majority leader to have the Senate take a recess from this evening until 10 a. m. tomorrow. The acting majority leader is very hopeful that the membership will remain on the floor during the session tomorrow, and that it will be possible for us to dispose of a number of amendments, with the session to continue into the evening.

Mr. KNOWLAND. Let me ask what the majority leadership has determined in regard to a Saturday session.

Mr. CLEMENTS. At this time there has not been a decision about a Saturday session. I believe that matter will be determined by the progress we make on tomorrow.

Mr. KNOWLAND. In other words, the Senator from Kentucky is suggesting that Senators on both sides of the aisle hold themselves in readiness for a Saturday session, if necessary; is that correct? If by a remote possibility we were to complete our action on the farm bill tomorrow, then there would not be a Saturday session; but I understand there has not been a final determination as to whether, if the farm bill is not finished on tomorrow, there will be a Saturday session.

Mr. CLEMENTS. The Senator from California has correctly stated the intent of the acting majority leader, except he would add that if the Senate should not complete action on the farm bill on Friday, and if there appeared to be an excellent chance that action on the bill could be completed on Saturday, the acting majority leader would be very

hopeful that there would be a Saturday session.

Mr. HUMPHREY. Mr. President, will the Senator from Kentucky yield for a question?

Mr. CLEMENTS. I yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Is it the understanding that on tomorrow the Senate will proceed with the pending amendment, as it may be modified after our discussions? Is that correct?

Mr. CLEMENTS. That is correct.

Mr. HUMPHREY. Then shall we proceed with the bill title by title, or shall we proceed to consider whatever amendments may be called up from time to time?

Mr. CLEMENTS. It is my belief that we shall proceed in the way we have proceeded today.

Mr. HUMPHREY. From section to section of the bill?

Mr. CLEMENTS. From section to section of the bill.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The Chair suggests that, under the rule, a Senator who was recognized for the purpose of calling up an amendment, would be able to call it up; and the consideration of such an amendment would have priority, in the absence of an agreement to take up the bill section by section.

Mr. CLEMENTS. Let me say to the distinguished Presiding Officer that he has stated the understanding of the acting majority leader.

Mr. President, to Senators who have committee meetings scheduled for tomorrow between the hours of 10 a. m. and 12 noon, I would say that in the case of committees which have witnesses scheduled to appear on tomorrow, the leadership on both sides of the aisle—and, I take it, the entire membership—would be reasonable in respect to agreeing to unanimous-consent requests that such committees be permitted to sit during the session of the Senate tomorrow.

I should like to have my friend across the aisle, the distinguished senior Senator from California, state his viewpoint in that connection.

Mr. KNOWLAND. Mr. President, I am sure that the acting majority leader will find that the same cooperation which usually is extended in such cases will be extended to any committee which find it essential to meet on tomorrow, during the session of the Senate. I think generally we should discourage the meeting of committees during the session of the Senate when this bill is before us. But I think a few committees have scheduled the appearance of witnesses on tomorrow; and the swearing of witnesses, and so forth, must be taken care of. Certainly I would be prepared to agree to any reasonable request which might be made in such a connection.

Mr. CLEMENTS. Mr. President, the distinguished minority leader is, as usual, most generous. He knows very well that some committees have scheduled hearings for tomorrow, and that some of the witnesses have come from considerable distances. So it is only right and

proper that such committees be permitted to sit at that time.

Mr. KNOWLAND. Of course we shall be glad to cooperate in any reasonable cases.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL BILL INTRODUCED

Mr. DANIEL introduced a bill (S. 3402) for the relief of Roberto C. Bargas and Rosenda C. Bargas, which was read twice by its title, and referred to the Committee on the Judiciary.

AGRICULTURAL ACT OF 1956— AMENDMENTS

Mr. HUMPHREY (for himself and Mr. LEHMAN) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3183) to provide an improved farm program, which was ordered to lie on the table and to be printed.

Mr. BYRD submitted an amendment, intended to be proposed by him to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

Mr. AIKEN (for himself, Mr. WILLIAMS, Mr. ANDERSON, and Mr. HOLLAND) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

Mr. BARRETT submitted an amendment, intended to be proposed by him, to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. HUMPHREY, Mr. CHAVEZ, Mr. YOUNG, and Mr. KERR) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

RECESS TO 10 A. M. TOMORROW

Mr. CLEMENTS. Mr. President, I move that the Senate now stand in recess until tomorrow, at 10 o'clock a. m.

The motion was agreed to; and (at 10 o'clock and 16 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 9, 1956, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 8 (legislative day of March 6), 1956:

UNITED STATES TARIFF COMMISSION

Edgar Bernard Brossard, of Utah, to be a member of the United States Tariff Commission for the term expiring June 16, 1962. (Reappointment.)

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. Henry Irving Hodes, O12845, Army of the United States (major general, U. S. Army), in the rank of general.

CONFIRMATION

Executive nomination confirmed by the Senate March 8 (legislative day of March 6), 1956:

MISSISSIPPI RIVER COMMISSION

Col. John L. Person, Corps of Engineers, to be a member of the Mississippi River Commission.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 12, 1956
For actions of March 9, 1956
84th-2nd, No. 42

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HIGHLIGHTS: Continued debate on farm bill.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill (pp. 3857-93, 3897-925).

Agreed to the following amendments:

- By Sen. Hickenlooper (as modified by amendments suggested by Sens. Daniel and Humphrey), to fix corn acreage at 51,000,000 acres and require supports at comparable prices for grain sorghums, barley, oats, and rye subject to cuts in acreage of about 15% (pp. 3857-73).
- By Sen. George, to permit peanut growers to participate in the soil bank (p. 3897).
- By Sen. Barrett, to provide penalties for violation of contracts under the soil bank program (pp. 3897-8).
- By Sen. Aiken, to strike out the provision for 90% price supports on milling wheat, by a vote of 46 to 45, with the Vice President breaking a tie. A motion to reconsider was laid on the table by a vote of 46 to 41. Sen. Gore argued that the Vice President had no authority to vote, since he voted in connection with a recapitulation. Before voting on the Aiken amendment, the Senate agreed to an amendment to it, offered by Sen. Young, to make it apply only to this year's crop. (pp. 3898-913, 3920-5.)
- By Sen. Aiken, to make the work of the Surplus Disposal Administrator subject to supervision of the Secretary of Agriculture (p. 3916).

Rejected the following amendments:

- By Sen. Kerr, to require price supports on hogs and beef cattle at 75% of parity or corn support, whichever is higher, by a vote of 32 to 61 (pp. 3873-93).
- By Sen. Humphrey, to provide for incentive payments in connection with marketing of cattle and hogs at light weights, by a vote of 41 to 53 (pp. 3877-93).
- By Sen. Kefauver, to provide price supports at graduated levels except in the case of tobacco (pp. 3914-5).
- By Sen. Kefauver, to enable a number of farmers to pool their reserve acreages and establish a joint soil bank (pp. 3918-19).

By Sen. Kefauver, to provide that food supplied by the Department to private charitable agencies may be without regard to whether the food is consumed on the premises of the administering agency (pp. 3919-20).

Amendments submitted and withdrawn:

- By Sen. Dirksen, to strike out the two-price plan for rice. The amendment is to be resubmitted today. (p. 3898.)
- By Sen. Daniel, to exclude disaster years in connection with soil-bank-payment acreage computations. It was explained that this was already the intent of the bill. (pp. 3915-6.)
- By Sen. Humphrey, to provide for graduated price supports. The amendment was withdrawn in order to give priority to a proposal by Sen. Kefauver. (pp. 3916-8.)
- By Sen. Anderson, to extend to wheat, rice, cotton, and tobacco the soil-bank acreage provisions relating to corn. The amendment was withdrawn following modification of the Hickenlooper corn amendment. (pp. 3869-72.)

Pending is an amendment by Sen. Williams to prohibit production of surplus crops on Government lands (pp. 3920, 3925).

Sens. Fulbright, Curtis, Allott, Dirksen, Welker, and Thye submitted amendments intended to be proposed to the bill (pp. 3853, 3925).

2. ELECTRIFICATION. The Public Works Committee submitted a report on S. 1823, to authorize construction of works of improvement in the Niagara River for power, etc. (S. Rept. 1408). p. 3852
3. FORESTRY. Sen. Leuburger inserted a newspaper article criticizing the Al Sarena mining claim. p. 3856
4. LEGISLATIVE PROGRAM. It was announced that the calendar will be called after the farm bill is disposed of, after which the trip-leasing bill will be considered. p. D220
5. RECESSED until Mon., Mar. 12, at 11:00 a. m. p. 3926

ITEM IN APPENDIX

6. FARM PROGRAM. Sen. Allott inserted a speech by Robert Lucas favoring the administration's farm program. p. A2195

BILLS INTRODUCED

7. WATER. S. 3405, by Sen. Fulbright, to authorize the Army Engineers to enter into certain contracts for provision of water for agricultural, industrial, or municipal purposes; to Public Works Committee.
8. DEFENSE PRODUCTION. S. 3407, by Sen. Fulbright, to extend the Defense Production Act; to Banking and Currency Committee.

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COMMITTEE HEARINGS TO BE HELD:

- Mar. 14: Land purchases in Superior Forest, H. Agriculture (witness not yet designated).
- Mar. 31: Rural housing needs, H. Banking and Currency (Lumsford, FHA, to testify)

Finally, Mr. Davis' philosophy of Government service is rounded out by his indifference to whether there was any timber on the claim or not. The 1872 mining laws which applied make no reference to timber, he said.

President Eisenhower, far from sharing Mr. Davis' indifference, spoke out clearly when he signed legislation last year designed, finally, to stop the racket of acquiring valuable national timber stands under the false guise of mining claims. "One of the most important conservation measures affecting public lands that has been enacted in many years," he called it.

That reform came too late to apply to the Al Sarena case. It did not come too late to remind Under Secretary Davis, and others who need the reminder, that the public domain is secure from pillage today because through the years the Department of the Interior has stood like a rock against its would-be despoilers.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES, ETC.

Mr. NEUBERGER. Mr. President, ever since the Senate decided to set up a special eight-man committee to inquire into the broad problems of lobbying, of campaign expenditures, and their relationship, I have had serious misgivings about my vote in favor of the resolution creating the committee. I say this without any reflection on any of the Members who were appointed to the special committee, because they are outstanding Senators. I would have had the same misgivings no matter which Senators might serve on such a committee.

Now, after listening to the thoughtful and even-tempered explanation by the junior Senator from Tennessee [Mr. GORE] of developments which have occurred since the appointment of the special committee, and the cogent remarks of the junior Senator from Missouri [Mr. HENNINGS], I have concluded that I made a mistake when I voted for the resolution to turn over these crucial issues to a special committee of the Senate. A new Member must learn by experience, and there was not much time for thorough reflection before the vote. I believe now that the Senate should not have bypassed its regular standing committees in dealing with the aspects of these problems which fall within their normal legislative functions and responsibilities.

Furthermore, Mr. President, it is my firm conviction that the people of this country demand a thorough and impartial study of the whole matter of our methods of financing political campaigns and their relationship to lobbying—a matter which, because of recent events, is now getting the public attention it has long deserved. Already there have been heard suggestions that the Senate cannot investigate itself, any more than any other agency of government can investigate itself. In all candor, people wonder how Senators who were elected with substantial campaign funds raised by large, private contributions can inquire into other Senators' campaign exchequers. That question applies to all here, the junior Senator from Oregon included.

Speaking only for myself, Mr. President, I personally am ready to turn over

to an outside commission, nonpartisan and broadly representative in character, this entire problem for a thorough airing and for a study of constructive alternatives to our present approach to political finances. As I have had occasion to say before, in the Senate and elsewhere, this question of political campaign financing is rapidly becoming the central problem of our democratic processes, increasingly so every year as the cost of modern methods of campaigning skyrocket.

Such a commission, Mr. President, should include members from many walks of life—after all, every American is intimately affected by the actions and decisions of his representatives in Congress, whether he be a businessman or a workingman, a teacher, a farmer, a writer, or a scientist. It might include some eminent political scientists; and I suggest that it be headed by a retired jurist whose ability and nonpartisanship were beyond question.

I would turn over to such a commission, Mr. President, the function of finding out the facts about our present methods of political financing, and about the related aspects of lobbying. I would give such a commission the authority, the personnel, and the money to enable it to make the proper inquiry, and to stay with it during the present election year so as to accumulate a meaningful body of information about the problem. There are many precedents for the use of special commissions to make thorough studies of specific areas of public concern, and I believe a special commission, removed from the political arena, is needed to restore the confidence of the American people that they are, in fact, being told the full truth about their processes of government and politics.

At the same time, Mr. President, I would leave to the regular, standing committees of Congress the responsibility for acting now on pending legislative proposals for constructive and long-overdue steps to improve the situation with respect to campaign financing—steps which can and should be taken before the political campaigns of this presidential election year. These standing committees and the Congress can act constructively on legislative reforms without getting bogged down in controversy which will inevitably accompany efforts at senatorial investigation of this problem.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there further morning business? If not, morning business is concluded.

AGRICULTURAL ACT OF 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the pending resolution, Senate Joint Resolution 135, be temporarily laid aside, and that the Senate resume consideration of the farm bill.

There being no objection, the Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Texas [Mr. DANIEL] to the amendment of the

Senator from Iowa [Mr. HICKENLOOPER]. On this question the yeas and nays have been ordered.

Mr. KNOWLAND. Mr. President, does the Senator from Texas intend to discuss the amendment?

Mr. DANIEL. Mr. President, the Senator from Texas has been in conference with the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Minnesota [Mr. HUMPHREY], and several other interested Senators, including the senior Senator from New Mexico [Mr. CHAVEZ]. We feel that we have reached the agreement which was contemplated last night at the time the Senate took a recess.

I ask unanimous consent that I may further modify my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. ANDERSON. Mr. President, reserving the right to object, may we have an opportunity to find out if the amendment is completely contrary to what was previously offered?

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. ANDERSON. Mr. President, if I cannot ask a question, I object.

Mr. DANIEL. Mr. President, I ask that the clerk state the amendment. I apologize to the junior Senator from New Mexico for not having discussed the amendment with him before sending it to the desk.

Mr. ANDERSON. The Senator does not need to discuss it with me. The question is whether or not the amendment changes the entire picture. Are we to have an opportunity to discuss it or must we proceed at once to vote upon it?

The PRESIDING OFFICER. The modified amendment offered by the Senator from Texas [Mr. DANIEL] to the amendment of the Senator from Iowa [Mr. HICKENLOOPER] will be stated.

The LEGISLATIVE CLERK. At the end of Mr. HICKENLOOPER's amendment it is proposed to insert the following new subsection:

(d) The price of grain sorghums, barley, oats, and rye, respectively, shall be supported in any area through loans, purchases, or other operations at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed value equivalents of such grains bear to the feed value of corn: *Provided*, That (1) the support price in any area for the 1956 crop of any such commodity shall not be lower than the support price therefor announced prior to the enactment of this subsection, and (2) the producers of such commodities, to be eligible for price support, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres equivalent to 15 percent of the acres devoted to production of such commodities, and (b) planted an acreage of such commodities not exceeding the average acreage, planted to such commodities on the farm during the preceding 3 years. After 1956 the support level on any such crop shall be 95 percent of the support level established for corn in the commercial area.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none, and the amendment is modified accordingly.

Mr. DANIEL. Mr. President, I believe the Senator from Iowa [Mr. HICKEN-

LOOPER] is willing to accept the amendment. If there is no objection, perhaps we could withdraw the order for the yeas and nays. I will ask the Senator from Iowa if he is willing to accept the amendment.

Mr. HICKENLOOPER. Mr. President, I am familiar with the amendment as read. I believe it to be a helpful amendment. It may contain 1 or 2 provisions which I would not have written if I had drawn the amendment. However, I believe we can live with it. It is a helpful amendment, and it is on the affirmative side. It will go a long way toward eliminating certain inequities which otherwise might exist in the feed-grain situation. So far as I am concerned, and so far as I have any authority in the matter, I am perfectly willing to accept the amendment, because I believe it is helpful. I have so informed the Senator from Texas.

For the sake of the RECORD, perhaps I should say that it might help to clarify the RECORD if the Senator from Texas would make a brief explanation of the amendment. That might be helpful. Otherwise, so far as I am concerned, I see no particular reason for having a yea-and-nay vote, although I would have no objection to such a vote. However, I accept the amendment so far as I am concerned. Unless there is objection to withdrawing the order for the yeas and nays, I will ask unanimous consent that the order be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. ANDERSON. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. As I understand, the objection by the Senator from New Mexico was to withdrawing the order for the yea-and-nay vote. My parliamentary inquiry is whether the language of the amendment as recently read by the clerk and presented by the Senator from Texas [Mr. DANIEL] is the pending question. Is the pending question now before the Senate the language of the amendment as read?

The PRESIDING OFFICER. The Hickenlooper amendment, as modified, is the pending question. The pending question is the Hickenlooper amendment, as modified by the Daniel amendment.

Mr. HUMPHREY. Is the modified Daniel amendment the present question before the Senate?

The PRESIDING OFFICER. In connection with the Hickenlooper amendment; yes.

Mr. HUMPHREY. I understood earlier that the modification might not be accepted. I wanted the RECORD to be clear.

Mr. ANDERSON. Mr. President, a point of order. How can the Senator from Texas modify his amendment at this time?

Mr. BARKLEY. Mr. President, the Senator from Texas could not modify his own amendment after a yea-and-nay vote was ordered, and no other Senator could accept such a modification. The Senate will have to vote on it.

Mr. HICKENLOOPER. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Chair will first state the parliamentary situation. There having been no objection to the modification, the modification was accepted.

Mr. DANIEL. As I understand the parliamentary situation, unanimous consent for the Senator from Iowa to accept my amendment, as modified, has not been requested. If it were requested, the Senator from New Mexico [Mr. ANDERSON], I believe, would object to it. Is that correct?

Mr. ANDERSON. No.

The PRESIDING OFFICER. No unanimous consent was required for the Senator from Iowa to accept the amendment. He had a right to accept it, and did accept it.

Mr. DANIEL. Even after the yeas and nays had been ordered?

The PRESIDING OFFICER. The order for the yeas and nays to the Daniel amendment will fall when the Daniel amendment is accepted by the prime mover.

Mr. ANDERSON. Are we to understand that, the Senator from Iowa having accepted the amendment, the yea-and-nay vote on the Daniel amendment, which had been ordered, is now abandoned?

The PRESIDING OFFICER. The Senator from New Mexico is correct.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is it not correct to say that the yeas and nays now stand as an order on the Daniel amendment?

The PRESIDING OFFICER. No; the order falls because the Daniel amendment has been embraced in the Hickenlooper amendment.

Mr. HUMPHREY. The vote now will be on the Hickenlooper amendment, as modified?

The PRESIDING OFFICER. That is correct. The vote will be on the Hickenlooper amendment, as modified.

Mr. HUMPHREY. As modified by the amendment of the Senator from Texas [Mr. DANIEL]?

The PRESIDING OFFICER. The Senator is correct. The yeas and nays have not been ordered on the Hickenlooper amendment.

Mr. AIKEN. Mr. President, in reading the amendment, I note it provides:

(d) The price of grain sorghums, barley, oats, and rye, respectively, shall be supported in any area through loans, purchases, or other operations at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed-value equivalents of such grains bear to the feed value of corn.

I should like to inquire of the Senator from Iowa if he intends that the feed value shall be the composite value of such grains. If each grain is to be treated separately, the letter "s" should be stricken from the word "grains." The word "grain" should be in the singular. Otherwise, we will have an extremely difficult situation to deal with.

Mr. HICKENLOOPER. The intent of the verbiage—and I would like to have

the Senator from Texas express himself on this point—is that each grain is to be valued on its own equivalent, and it is not the intention to have a mixed composite of grains. It may be an unfortunate use of the plural, but the intention is that each grain shall stand on its own feet.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. I thought we were proceeding under a unanimous-consent agreement with time allotted to each side. What is the situation in that respect? How much time is left to each side, and who controls the time?

The PRESIDING OFFICER. All time on the Hickenlooper amendment was yielded back on yesterday.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. How are we to have an opportunity to discuss the amendment, if no time is available? We thought we would have a chance to say something about it. I should like to say a few words, particularly to point out to the Senator from Texas that the people of his State would be worse off with the amendment than they were before.

The PRESIDING OFFICER. The Senator has two options; he can obtain more time by unanimous consent, or he may have time on the bill yielded to him.

Mr. ALLOTT, Mr. HUMPHREY, and Mr. ELLENDER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. ELLENDER. I yield 10 minutes on the bill to the distinguished Senator from New Mexico.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. I should like to ask whether we have exhausted all the time available both on the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER] and on the amendment offered by the Senator from Texas [Mr. DANIEL].

The PRESIDING OFFICER. All time for debate has expired on the amendment offered by the Senator from Iowa. When the Senator from Iowa accepted the amendment of the Senator from Texas [Mr. DANIEL], it exhausted all time on that amendment.

The Senator from Louisiana has allocated 10 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I move that the amendment proposed by the Senator from Texas be modified by striking out all the language beginning with "(d)." The Senator from Iowa has accepted that language, and I move to strike it out.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Mexico.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. So far as I can determine, it seems to me that it is a pro forma amendment which has been offered by the Senator from New Mexico.

The PRESIDING OFFICER. We are waiting for its receipt at the desk so that the clerk may state it.

Mr. DIRKSEN. Was the Daniel amendment accepted by the Senator from Iowa?

The PRESIDING OFFICER. It was accepted by the Senator from Iowa.

Mr. DIRKSEN. So there will then be 2 hours on the pro forma amendment offered by the Senator from New Mexico?

The PRESIDING OFFICER. The Senator is correct. The Senator from New Mexico will control 1 hour of the time.

Mr. ANDERSON. Mr. President, I am not opposed to what the Senator from Texas is trying to do if his objective is to get price supports for grain sorghums and for oats, rye, and barley, but I think it is a very dangerous way to legislate. We have no copy of the amendment; we do not have a chance to study it and see what it does to grains outside the commercial area. The support price for corn is about \$1.40. It is three-fourths of that outside the commercial area. We drop down 75 percent and come out with a sorghum support of about \$1.28 at Galveston. Thus we take off 62 cents.

The present support price is about \$1.55. I merely want to know if in 1956 the amendment will protect the situation, and what will happen thereafter. Will the support level on grain sorghums in the area represented by the able Senator from Texas be reduced? What will happen to oats? Are we to be compelled to take the oats support price which has been announced for 1956, and be permitted to apply the two factors against it and come out with a price below what we now have?

I think there should be an opportunity to study this kind of a proposal.

Mr. HUMPHREY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. I think the amendment which is presented by the Senator from Texas in behalf of some of us is an amendment which is a decided improvement. For 1956 the support levels on the feed grains—barley, rye, oats, and grain sorghums—shall be not less than the support levels announced for 1956. In 1957, they will be 95 percent of the support levels of corn in the commercial area. That will be the situation from 1957 on.

Mr. ANDERSON. Can the Senator find that in the amendment?

Mr. HUMPHREY. Yes, I can; because I helped to write the amendment.

Mr. DANIEL. The amendment is being typed so that each Senator may have a copy as soon as possible.

Mr. ANDERSON. I only wish to say, for the benefit of the Senator from Minnesota, the Senator from Vermont, who has worked hard on this proposed legislation, and the Senator from Florida,

who is as militant as he can be, that we have held a hearing and we have voted on the question, and now comes an amendment which affects grain sorghums, barley, oats, and rye, in every State of the Union where they are grown, and it affects them one way in the commercial corn area and in another way outside that area.

Mr. HUMPHREY. No; it does not. In 1956 the support level as announced will apply, and in 1957 the support level on these grains will be 95 percent of the support level for corn as established in the commercial area.

Mr. ANDERSON. Can the Senator from Minnesota assure the Senate of the United States that the support price of grain sorghums will be 95 percent of the support price of corn; namely, \$2.37?

Mr. HUMPHREY. It will be 95 percent of the support level on corn in the commercial area.

Mr. ANDERSON. And it will apply to all the grain sorghums outside the commercial area?

Mr. HUMPHREY. That is correct. We tied it in because of the problem which the Senator from New Mexico has mentioned.

The reason why that section was placed in the amendment is because of the point raised by the Senator from New Mexico last evening, namely, the differential between the noncommercial area and the commercial area, and the effect on price supports affecting feed grains, considering the respective levels of support.

One other point is that in the noncommercial area, while the support level for corn may be considerably less, actually the price is considerably over the support level in the commercial area because the corn has to be shipped in from a definite feed-producing area, so that the price is frequently higher than the support level for corn in the commercial area.

Is not that a fair statement?

Mr. ANDERSON. Yes. But let us get back to grain sorghums. The feeding value of grain sorghums is about 95 percent that of corn. We come out with a figure of \$2.37 a hundredweight on grain sorghums. This amendment puts a flat mandatory price support on grain sorghums of \$2.37.

Mr. HUMPHREY. It is my understanding that the 95 percent of the support level on corn is based on the commercial area support level for corn.

Mr. ANDERSON. I appreciate the statement of the Senator. I think it is interesting information, and certainly indicates that it is not a matter to be passed over very lightly.

The same thing applies to oats, does it not?

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. The support price of oats is 70 cents a bushel.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. And for barley it would run to a little over \$1 a bushel. So does this not raise prices for the 1957 crop, and take whatever can be gotten for the 1956 crop?

Mr. HUMPHREY. The support price cannot be less than the announced levels

for the 1956 crop. We also have some limitation in the sense that 15 percent of the cultivated acreage must be taken out of production.

Mr. ANDERSON. All the cultivated acreage?

Mr. HUMPHREY. No. It is the formula which the Senator from Iowa used on corn. If a farmer had 100 acres in grain sorghum, the 15 percent would be taken out of any and all cultivated acres.

Mr. ANDERSON. Is that the situation as to corn?

Mr. HUMPHREY. That is my understanding. The Senator from Iowa was discussing last night the 15-percent reduction in acreage as related to his formula for corn, and the same principle applies to the feed grains. Is not that correct?

Mr. HICKENLOOPER. That is correct.

Mr. HUMPHREY. The Senator was using as an example 100 acres of corn.

Mr. HICKENLOOPER. If the Senator will permit me, the same illustration will apply. If a farmer has been consistent over the past 3 years, and if he has 100 acres of grain sorghum, he cannot overplant that 100 acres, and get support on his grain sorghums.

Mr. ANDERSON. That is his historical base, so to speak.

Mr. HICKENLOOPER. The same formula is applied to feed grain that applies to the 56-million acre limitation on corn. In other words, it would not be fair, in our judgment, to place a support on the grains and then give the growers unlimited production or unlimited acreage. Corn, of course, is not given unlimited acreage; there is a limitation on corn.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. Let us consider a farm of 600 acres, with 100 acres planted in grain sorghums. In order to get the benefit of the acreage reserve or the conservation reserve, at least 15 acres would have to be set aside for conservation reserve or acreage reserve.

Mr. HICKENLOOPER. That is correct; they would have to go either into the conservation reserve or the acreage reserve, and the farmer could not overplant.

Mr. HUMPHREY. If he overplanted, he would not be eligible at all.

Mr. HICKENLOOPER. He would be out, he would not be eligible. It is the same formula that is applicable to corn in my amendment.

Mr. HOLLAND. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Florida.

Mr. HOLLAND. I appreciate the Senator's yielding to me to allow me to address a few questions to him. I realize that we are all operating under a great disadvantage, because we do not have before us a copy of the amendment in its last form.

I thoroughly approve of what the Senator from New Mexico said, namely, that to write on the floor so complex a measure as this farm bill is unwise. I think

we are demonstrating the unwisdom of it in a very real way right now.

I call the attention of the Senator to the fact that we had the same subject matter before the committee at great length last year in connection with an amendment presented by the Senator from Minnesota [Mr. HUMPHREY]. The amendment was rejected in committee. This year we had a more thoroughly considered amendment, also presented by the Senator from Minnesota [Mr. HUMPHREY], and perhaps by other Senators, which again was voted down. I think both amendments were better in their design than the present amendment—at least, so far as I can understand it.

My question to the distinguished Senator from New Mexico is this: Is it not an established fact that there is a real difference in value, based upon their potential characteristics for feed purposes, between the small grains, which are covered by the so-called Daniel amendment?

Mr. ANDERSON. Yes. The feed value of oats is generally given as roughly 88 percent of that of corn; the feed value of barley is about 90 percent the feed value of corn; and the feed value of grain sorghum is about 95 percent the feed value of corn.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I have one more question; then I will yield.

Is it not true that the provision of the amendment which fixes an arbitrary rate, 95 percent of the support price for corn in the commercial corn area, provides an arbitrary standard of equality between the small grains, which does not exist as a matter of reality?

Mr. ANDERSON. Surely. Let me read the language.

Mr. HUMPHREY. The equivalent feed value is the base upon which to start. It is a base of 95 percent.

Mr. ANDERSON. The language reads:

After 1956 the support level on any such crop shall be 95 percent of the support level established for corn.

It does provide for equivalent values. The support price on oats will be 95 percent of the feed value of corn. The same is true of barley. They will have no relationship whatsoever.

Mr. HOLLAND. Is it not true that such an arbitrary effort to bring about equality between products which are completely unequal will put into the bill something so extravagantly wrong that no one who is trying to write a fair bill could possibly support it with that provision included?

Mr. ANDERSON. I wonder what the people in the corn area will think of it. I wonder what they will say. There will be a statement that the support level on oats, rye, and barley after 1956 will be 95 percent of the value established for corn. Can Senators imagine the expansion that will take place in acreage for oats, rye, barley, and even grain sorghums, under those circumstances?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. ANDERSON. I yield myself another 10 minutes.

Mr. HUMPHREY. If the Senator wants to take that interpretation of item B at the end of the amendment, he is privileged to do so, but the interpretation is inaccurate. At the beginning, the amendment provides:

The price of grain sorghums, barley, oats, and rye, respectively, shall be supported in any area through loans, purchases, or other operations at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed value equivalents of such grains bear to the feed value of corn.

That is the yardstick or guide. What we are saying at the end of the amendment is that in establishing price-support levels, taking into consideration the feed value equivalents of corn and feed grains related to corn, there shall be a price-support level 95 percent of that established on corn, with the feed equivalents taken into consideration.

Mr. ANDERSON. I only say that a law to be effective must be interpreted according to the language it contains. The Secretary of Agriculture could not possibly do otherwise than take the plain language of the amendment. The language says he shall do certain things in 1956. After 1956, the support level on any such crop shall be 95 percent of the support level established for corn in the commercial area.

I only point out, as I have said before, that it is dangerous to write legislation on the floor of the Senate.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. EASTLAND. The States of Mississippi, Alabama, Louisiana, and Texas, especially east Texas, are not in the commercial corn-producing areas. They contain great oats-shipping areas. Will the support price on oats in Mississippi, Louisiana, and Texas be supported at a lower figure than in Iowa?

Mr. ANDERSON. Exactly.

Mr. HUMPHREY. No.

Mr. ANDERSON. Yes, they will be in 1956. The answer depends on the interpretation. After 1956 they will be supported the same as elsewhere throughout the country.

Mr. EASTLAND. It has to be in 1956, because the announcement has already been made.

Mr. HUMPHREY. In 1957 they will be supported at no less or no more. They will be supported at 95 percent of the support level of corn, based upon the feed value equivalent of the grains related to corn.

Mr. ANDERSON. I agree with what the Senator from Minnesota has just said. After 1956 they will all be based upon another support level. I do not agree with him that the language in the proposed amendment says so.

Mr. EASTLAND. Will the support price for oats in Mississippi and Texas be the same as the support price for oats in Iowa?

Mr. HUMPHREY. That is correct; in 1956. For 1956, the support prices have already been announced.

In 1957 the support prices will be the same, because they will be based upon the commercial area support price for corn. That will be universal throughout the country. In 1957 there will not be differences between the noncommercial area and the commercial area; there will be one yardstick.

Mr. EASTLAND. I understand that small grains, produced in noncommercial corn areas, will be supported at the same price at which they will be supported in commercial areas.

Mr. HUMPHREY. That is correct, both in 1956 and 1957.

Mr. EASTLAND. May I ask the Senator from New Mexico if that is his understanding?

Mr. ANDERSON. I think that is the purpose of the amendment and probably will be the actual result of it. I am a little dubious about what will happen in 1956; I know the Senator from Minnesota is correct as to 1957.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. BARKLEY. Is it correct to assume that oats will be on the same basis as corn in 1956, and also for 1957, but that there will be a different level in 1957 as compared with 1956?

Mr. ANDERSON. No, I think not. However, I think I would rather have one of the sponsors of the amendment answer the Senator's question. I do not think his understanding is correct.

Mr. HUMPHREY. In 1956, the support level for oats will be as it has now been announced; it will not be less than that announced. It might be higher, but not lower.

Mr. BARKLEY. Will the support price have any relationship to corn?

Mr. HUMPHREY. Not in 1956. It could have relationship if the Secretary so deemed; but he cannot reduce the support level for rye, barley, oats, or grain sorghums in 1956 below the support level which is presently announced. He can raise it. The price has already been announced.

I may say to the Senator from New Mexico that I think his point is well taken. There is no use haggling or trying to save face, I may say to the principal sponsor of the amendment, the distinguished Senator from Texas [Mr. DANIEL].

The Senator from New Mexico, in reading those last few lines, reads a sentence and not a phrase. It is a separate sentence. Therefore his interpretation, insofar as the latter part is concerned, in all honesty, is one which can be justified by the terms.

Mr. DANIELS. But that was not the intent of the author.

Mr. HUMPHREY. It was not the intention.

Mr. ANDERSON. I never tried to say that was the intention. I know the Senator from Texas and the Senator from Minnesota and the Senator from New Mexico [Mr. CHAVEZ] were just as anxious as they could be to have the amend-

ment right. I asked for the extra time only so we might study it and see if it is right. I should like to vote for a grain sorghum amendment, because our farmers have been badly treated. I am not in favor of the Hickenlooper amendment, because the base is too high.

I think the motion made by the Senator from Minnesota in the Committee on Agriculture and Forestry, with respect to setting the corn acreage at 49 million, was a fairly reasonable suggestion. If the amendment of the Senator from Iowa started at 50 million acres, I would feel pretty good about it. But I do not understand why, when the Department of Agriculture has announced corn quotas as low as 43 million acres for next year, we should add 13 million acres, and say they will save 5 or 6 million acres, at a cost to the Treasury of the United States of \$168 million, as nearly as I can figure it out. I think that is too much.

I think it is worth something to get the corn growers of Iowa to go into the soil bank. Therefore, I would support, and do support, the amendment offered by the Senator from Minnesota to bring the acreage down to 50 million. I think the Senate would be well advised to go over the figures and finally come out with some such figure as that.

If the Senate does not operate in that way, then all the work which has been done by the distinguished chairman of the committee, as he traveled over the country, holding hearings, and working in committee day after day, trying to prepare a farm bill, will, in my opinion, be thrown away. The able Senator from Louisiana kept us in session 14 hours one day, which is cruel and inhuman treatment, but he was determined that we should finally emerge with a bill which could come to the floor of the Senate.

If amendments are to be offered, I think it is desirable that we make extremely sure of what is being proposed.

I appreciate the way in which the Senator from Minnesota approaches the question, when he realizes a mistake may have been made. If the proposal were modified to cover the feed values of the grains, then there would be a wholly different amendment than the one now before the Senate. But I want to say that an amendment which would fix the support value of oats, rye, and barley at 90 percent of corn prices would be ridiculous, and the Senator from Minnesota and the Senator from Texas realize that.

Mr. MORSE. I think the Senator from New Mexico, is correct in his interpretation of the last sentence of the amendment as now written. In order to carry out the true purpose and intention of the amendment all that is needed to be done is to repeat within the last sentence the "feed equivalent" language appearing in the preceding part of the amendment. It is the "feed equivalent" language which assures producers of grain other than corn that they will receive equality of treatment with corn producers.

Mr. ANDERSON. I am expressing the hope that the Senator from Texas has his pencil handy and will do so.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Colorado.

Mr. ALLOTT. I should like to point out that all of us have an interest in the various grains produced in our States, but, analyzing the amendment as it is written, the first part of subparagraph (d), the first 4 or 5 lines, down to the proviso clause, does contain language relating to the ratio between corn and other sorghums—

Mr. ANDERSON. And other feed grains.

Mr. ALLOTT. Yes; but by all rules of legal construction I know of, the effect of the last sentence, as it has been drawn, is completely to nullify that provision after the year 1956, with respect to the feed value of grains. The last sentence states that supports shall be thereafter established at 95 percent of the support level established for corn in the commercial area, and thereafter it will have no relationship to the feed value of corn.

Mr. ANDERSON. I think my friend from Colorado is a good lawyer and can pass judgment on what it might do. I am not a lawyer, but I have had interpreted a few laws. I know if I were in the position of the Secretary of Agriculture I would regard the last sentence as particularly binding.

Mr. BARKLEY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. BARKLEY. There was so much confusion a while ago, when we were discussing the interpretation of the amendment as it applied to the 15 percent, that I did not get very clearly in my mind whether the 15 percent, both in the corn and in the grain situation, is to come out of the 100 acres, if a farmer has that many acres, or whether it is to come out of some other land.

Mr. ANDERSON. I should not be interpreting this, but I believe in the case of oats, rye, and barley the farmer could add them all together and reduce the total acreage by 15 percent.

Mr. BARKLEY. Could that 15 percent come out of the area which is now cultivated to those grains, or could it come out of some other land?

Mr. ANDERSON. I think my distinguished friend from Texas should interpret that. I think it would come out of the commodities mentioned, because the amendment reads:

*Provided, * * * the producer of such commodities—*

That is grain sorghums, barley, oats, and rye which are previously mentioned—

to be eligible for such price supports, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres equivalent to 15 percent of the acres devoted to production of such commodities.

So it can come from tillable acres on the farm, and it cannot come from land devoted to pasture, in order to set aside 15 percent, no more and no less, of the total amount planted to grain sorghums, barley, oats, and rye.

Mr. BARKLEY. In other words, if the land devoted to those crops added up to 100 acres, the farmer would have to en-

ter into an agreement that he would cultivate only 85 acres, and 15 acres would come out of the 100 acres.

Mr. ANDERSON. I point out again that I think the language may be a little indefinite, in that it says it will be 15 percent of the acres devoted "to production of such commodities." It does not say whether in the year 1910, 1915, 1920, 1940, or 1950. I do not know what the Secretary would do when he came to determine what the base should be. That is why I say trying to legislate on the floor, without previous study, is extremely dangerous.

Mr. CARLSON. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. CARLSON. I think the point raised by the Senator from Kentucky [Mr. BARKLEY] with regard to the acreage to be taken out of production is a good one. As I understand the language of the amendment, if a farmer has 100 acres devoted to grain sorghums, he need not take that land out. If he has 15 other acres, he may take that land out.

Mr. ANDERSON. That is right.

Mr. CARLSON. In that case there would be no reduction of the particular crop or any crop mentioned in the language. Our farmers are willing to take out some acreage.

Mr. ANDERSON. I think they are willing to take out acreage. The amendment of the Senator from Iowa deals with corn. The pending amendment deals with three commodities and refers to tillable acreage. If it referred to tillable acres devoted to the production of such commodities out of which the farmer should take 15 percent, then we might understand it.

I am trying to point out that when an amendment is offered, I have found it advisable to refer it to counsel for the committee, and then send it to the Department of Agriculture, asking for their comments. They might find a loophole in it, such as I have been able to find.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Louisiana such time as he may desire.

Mr. ELLENDER. I think I can complete my statement in 10 minutes.

Mr. President, as I explained yesterday, I do not believe there was any one subject to which the Agriculture Committee, in its deliberations, gave more attention than the question of trying to arrive at a suitable formula for corn.

The treatment received by corn producers is vastly different from the treatment which producers of the other basic crops receive, with respect to acreage allotments. For instance, no referendum is necessary for the corn producers. There is no voting on whether acreage allotments will be accepted; there are no marketing quotas for corn. There are no penalties for overplanting allotted acres. The corn farmers are simply given a choice of complying with allotments, and receiving price support, or overplanting and receiving none. Corn is the only basic commodity so treated. It is the agricultural program's "fair-haired boy." It is under no compulsion

and no rigid controls, as are the other basics. The Secretary of Agriculture merely fixes what acreage he determines should be planted in the commercial corn area so as to keep, as nearly as possible, the production of corn in line with consumption. That is all that is done. From that moment on, the corn farmer is a free agent; he can comply or not. There are no marketing penalties levied upon him.

During the committee's deliberations, the distinguished Senator from Minnesota and, I believe, other members of the committee, attempted to place in the bill a provision similar to that now found in the Daniel amendment, namely, with corn as a base, fixing price supports for other feed grains in relation to the feed value of those grains as compared with corn.

I took the position—and others did, too—that if the committee could establish for corn a base acreage which was realistic—that is to say, from 49 million to 50 or 51 million acres in the commercial corn area—then the fact that we would be taking as many as 5 million to 6 million acres out of the historic plantings of corn, in itself would be of assistance to the producers of oats, barley, and these other feed grains. But when we failed to fix that reasonable base for corn, nothing was done with respect to feed grains.

Mr. President, insofar as I personally am concerned, I shall support the Daniel amendment. But I wish to say that if the Daniel amendment is attached to the Hickenlooper amendment, as it now stands, with a base acreage of 56 million acres, then I shall vote against the entire amendment. I shall do so for the simple reason—as I stated yesterday—that I think it is patently unfair to the producers of other basics to fix the acreage for corn at the historic plantings for the past 3 years. As a matter of fact, the amount fixed in the bill is about the average planting in the commercial corn area for the past 5 or 6 years. In only a few years during the last 10 years have they planted less than the minimum amount fixed in the bill.

In connection with the Hickenlooper amendment, another fact that adds insult to injury as far as the producers of other basics are concerned, is that the bill does not contain any provision which would in any manner force the corn producers to place any of their swollen acreage allotments as carried in this amendment into the acreage reserve. As the amendment has been presented, the corn producers in the commercial corn area could plant all 56 million of their allotted acres to corn, take their 15 percent for the soil bank from their other acreage, put that amount alone into the conservation reserve acreage, and be in compliance. If this is not discriminatory treatment, Mr. President, if this is not a bonanza, I do not know what it is.

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield to me at this point?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Louisiana yield to the Senator from Kentucky?

Mr. ELLENDER. I yield.

Mr. BARKLEY. I may be dumber than usual—which is going a long way [laughter]—but I still cannot understand what the Daniel amendment does to the 15 percent provision. Under the soil bank there are two different kinds of reserve—one, the acreage reserve; and the other, the conservation reserve.

Mr. ELLENDER. That is correct.

Mr. BARKLEY. The acreage reserve must come out of the allotment to the farmer for a particular crop.

Mr. ELLENDER. Yes; out of the allotted acres.

Mr. BARKLEY. And the other can come from any other acreage; is not that correct?

Mr. ELLENDER. Exactly.

Mr. BARKLEY. As I understand the amendment, there is a division into two different prongs; and, as I understand, the 15 percent might be taken from other acres, rather than from the acres allotted for these crops. Is that correct?

Mr. ELLENDER. That is correct.

Mr. BARKLEY. And that applies to corn, does it not?

Mr. ELLENDER. Yes.

Mr. BARKLEY. So that is on a different basis from that of the soil bank, as covered in other provisions of the bill.

Mr. ELLENDER. Let me say that a corn producer could qualify for price support by planting within his allotted acres of the 56 million acres. But he would not have to so confine his plantings; it would be voluntary, whereas the producers of other basic crops would be subjected to marketing penalties if they did not comply with their acreage allotments. The corn producer only forgoes price-support loans if he exceeds his acreage allotments. Producers of other basics are in addition subjected to marketing penalties.

Mr. BARKLEY. Yes.

Mr. ELLENDER. Not only could the corn producer get a price support loan on all of his allotted acres—the support price amounting to 81 percent of parity—but he could also place some of his other land into the conservation reserve and thus comply with the 15 percent soil-bank requirement.

Mr. BARKLEY. But he could plant his full allotment of these crops and, theoretically, could reduce by 15 percent some of his other acreage.

Mr. ELLENDER. That is correct.

Mr. BARKLEY. So, again, no reduction of the crop is really provided for in the amendment.

Mr. ELLENDER. That is true.

On yesterday I suggested that if the amendment were modified to include a provision forcing the corn producer to put into the reserve at least 15 percent of his base corn acres, that is, acreage he expects to plant in corn, we might be able to accept the new corn program. But the idea of the acreage-reserve program is to reduce the production of the basic crops, including corn, so as not further to aggravate the present surpluses of these crops; and I could not in good conscience support a program that does not call for a reduction in the base corn acreage.

I return to the view I expressed yesterday, namely, that so long as we pro-

vide a realistic base acreage for the corn producers, one that will bring about a reduction in corn production, we will materially assist the growers of the four other feed grains—sorghum, oats, rye, and barley—whom we are now trying to protect.

But inasmuch as the Hickenlooper amendment provides for a base acreage that represents the average of what the corn producers have planted in the past, and inasmuch as there will be no assurance that they will decrease their acreage of corn below the level of past plantings, I say that in all fairness the Daniel amendment to the Hickenlooper amendment should have been adopted. However, as I have just stated, even though that has been done, I am still opposed to the Hickenlooper amendment, as amended.

Mr. BARKLEY. Mr. President, as I understand the parliamentary situation, the Daniel amendment is already a part of the Hickenlooper amendment.

Mr. ELLENDER. That is correct.

Mr. BARKLEY. So there will not be a separate vote on it.

Mr. ELLENDER. That is correct.

Mr. BARKLEY. We shall have to vote on the Hickenlooper amendment, as amended, and in no other way.

Mr. ELLENDER. Mr. President, I may state that I would have voted for the Daniel amendment, because I felt that since corn is to be given preferred treatment under the Hickenlooper amendment, which, in my humble judgment, will result in increasing the production of corn, and thus aggravating our present surpluses of grain, some relief, therefore, should be afforded the producers of grain sorghums, oats, rye, and barley.

With respect to the formula in the amendment proposed by the distinguished Senator from Texas [Mr. DANIEL], the committee has not studied it at all. There is considerable question as to what it means. I may state that if the Hickenlooper amendment, as amended by the Daniel amendment, is adopted by the Senate, it may be possible that we can arrive at some satisfactory adjustment in conference.

I repeat what I said yesterday. As chairman of the committee, I want to do something for the corn area. We received much testimony as to the surpluses which now exist in grains. There were few suggestions made at any of our meetings, except by American Farm Bureau Federation representatives, as to a solution of the corn problem. As I recall, the American Farm Bureau Federation proposed that acreage allotments be eliminated, and that support prices on a sliding scale be made available from 0 to 90 percent, as compared to the 75- to 90-percent provision of existing law. I repeat, before the amendment is voted upon, that I hope we can establish a realistic base acreage for corn. If that is done, I should like to support it, but in its present form, as I have said, I shall be compelled to vote against the amendment.

Mr. ANDERSON. Mr. President, I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I completely support the position just stated by the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER]. In amplifying the remarks he has just made, I invite attention to the fact that it seems to me that if the Hickenlooper amendment, as now presented, is accepted as a fair base for dealing with one feed commodity, namely, corn, there is certainly some reason for the producers of the small grains to feel that some such program should be applied to them.

The trouble, as I see it, is that we are completely wrong if we adopt the philosophy of the approach of the Hickenlooper amendment, because instead of sticking to the time-honored base of allotted acres, and instead of limiting the acreage reserve to an application to allotted acreage and an underplanting of allotted acres, the Hickenlooper amendment makes the base upon which it shall operate as follows:

Such total base acreage shall be the average acreage planted to corn in the commercial corn-producing area during the 3 years 1953, 1954, and 1955.

All of us know perfectly well that during that period of time a very large number of producers of corn declined to accept their acreage allotments. We know that they have very substantially exceeded the allotted acres. We know that, as planted, the farm acreage went up to between fifty-six million and fifty-seven million acres in those years, whereas the allotted acreage was in the 40-million-acre bracket. To allow corn producers to take advantage of their refusal to accept allotted acreage would be a mistake. If we yield in that case, it is simply a matter of the camel getting his nose under the tent. That fact could not be more clearly shown than by the insistence of those who are concerned—and properly concerned—about the producers of the small grains, and who wish to place them on the same kind of unsound basis.

Let me read what is suggested as the base. It is slightly different in the small-grain amendment which has now been incorporated in the Hickenlooper amendment. This is the substantial part of the amendment which governs the base:

The producers of such commodities, to be eligible for price support, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres equivalent to 15 percent of the acres devoted to production of such commodities, and (b) planted an acreage of such commodities not exceeding the average acreage, planted to such commodities on the farm during the preceding 3 years.

The producers of small grains could plant up to their average acreage for the 3 years, and still claim the right to participate in the soil bank or in the conservation reserve with other acreage which might be construed as acreage "devoted to the production of such commodities."

How in the world there could be any reasonable interpretation of that language which would make such a system at all comparable to the allotted acreage standard which is required of producers

of the basic commodities other than corn, I do not see.

I think we would make a vital departure from the general philosophy of this program, so carefully worked out by the committee, if we were to allow a departure to be made from allotted acreage, by giving to corn in the first instance, and then to the lesser grains in the second instance, in a somewhat different way, the advantage of a much more generous program, for participation in the soil bank and also with respect to receiving price supports, than we allow with respect to basic commodities. I think we would make a tragic mistake if we were to depart to this degree from the philosophy of the original approach to this problem. Therefore I shall strongly oppose the Hickenlooper amendment, with the Daniel amendment attached to it, which has been accepted.

In closing, let me say that I thoroughly agree with the Senator from Louisiana [Mr. ELLENDER], that if the corn producers will come in with a realistic acreage figure, perhaps some agreement can be reached. I supported the amendment offered by the Senator from Minnesota yesterday, which provided a figure of 50 million acres, which is more than the allotment of the past. I think it should be more, because the failure to accept the allotments of the past indicated that they were not enough. Certainly I would not support this wide-open invitation to claim the advantage of overplantings which have been so heavy, and which have led to such abuses of the entire program in the corn area.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. Would it not be very unfair to the wheat farmer, who must take a third cut in acreage, to require him to abide by the strictest quotas? He is haled into court if he increases his acreage. Would it not be unfair to apply such restrictions to the wheat farmer and then give the corn farmer the same acreage he has had historically for the past 5 years?

Mr. HOLLAND. Certainly it would; and it would be equally unfair to the producers of other commodities. There is no fairness in imposing one standard for one kind of commodity, and another standard for another kind of commodity, especially when, in one instance, strict compliance with allotted acreage is required, and the producer is required to play ball with the Government and with the other members of the industry, while in the second instance there is offered a base which is made larger by reason of violation of the standard of allotted acreage which has been applied to both commodities.

Mr. YOUNG. In addition, the corn farmer gets a 5 percent higher price support this year, does he not?

Mr. HOLLAND. I believe that is correct. However, that is not the feature to which I was addressing myself. It seems to me it is completely unfair to place the wheat farmer and the producers of other commodities covered under other aspects of the bill under one standard, which is dependent upon their having played ball

with the Government, the Congress, and each other by accepting and faithfully adhering to their allotted acreage, and to give to corn producers the advantage of extra acres which they have overplanted by refusing to follow their allotted acreage, thus giving them a more advantageous base, a historic base, which would not only be a base for price supports, but which would allow them, in very large measure, to apply to the Government for generous soil bank payments, both under the acreage reserve and under the conservation reserve.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. The point the Senator from North Dakota has raised is a very important one, and it is one to which I tried to call some attention last evening. It is the most important single phase of the whole situation. Only a few years ago 70 million acres of wheat were being planted. That was cut to 62 million acres. Then it was further cut to 55 million acres. The wheat farmer had to take that reduction. Now if he wishes to get into the soil bank, he has to come below that figure.

Mr. HOLLAND. His participation in the soil bank comes out of the 55 million acres, which is a perilously low acreage allotment.

Mr. ANDERSON. How a Senator from a wheat State can vote for the amendment, I do not know. I am sure he will have to explain his vote when he gets home.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CARLSON. I stated last evening that I supported the Hickenlooper amendment. I said I thought it should go to conference for adjustment, and I said I thought other adjustments would have to be made in the bill. Inasmuch as we have the amendment of the Senator from Texas before us, if we are going to do something for corn and sorghum, I should like to know what action will be taken on the amendment affecting milling quality wheat, which will be before the Senate soon. If we do it for some commodities, we should do it for others also. I shall vote for the amendment, and can only trust that the Senate will go along on the same basis with other commodities.

Mr. HOLLAND. As I said before, it is the situation of the camel getting its nose under the tent. Once that happens, it will be quite reasonable to expect the representatives of the producers of small grains to insist that we continue breaking down the structure, which is designed to do a great deal of good, but which cannot be accomplished by the adoption of a variable standard.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. The Senator's argument, of course, is correct. It is the argument I was attempting to make last night.

Mr. HOLLAND. And I supported the Senator's argument last night.

Mr. HUMPHREY. That is correct. I had two arguments to make against the Hickenlooper amendment. One was that it violated the principle of acreage allotments on basic crops. The second argument was that it put corn in such a production situation that it might completely wreck the feed-grain industry. While I am not particularly happy about what we are proposing to do, I believe it is better than the Hickenlooper amendment. I think it would have been desirable to have had acreage allotments provided, which the Senator from Florida supported, and to have proceeded on that basis.

As I said last night, I believe we are opening a Pandora's box of trouble. Certainly the wheat grower will have a right to say, "Let us have the historic basis for wheat."

Mr. HOLLAND. The Senator from Minnesota could not be more correct than he is in his general argument. What he is suggesting is that we are proceeding in a fog on a highway by trying to write this complex provision on the floor of the Senate. On that highway, there is a wreck which has already happened by reason of the Hickenlooper amendment. What the Senator from Minnesota is suggesting—and I believe he is correct—is that the pileup of wrecks is going to become large, and that what we are doing will be a departure from sound philosophy if we include all feed grains.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. As the Senator knows, I have been trying for some time to bring about a better relationship between feed grains and corn, insofar as the support levels are concerned.

Mr. HOLLAND. May I say that the Senator proposed a better amendment last night than the amendment before us to accomplish that objective.

Mr. ANDERSON. Amen.

Mr. HUMPHREY. With that compliment, I believe I had better cease my discussion.

Mr. HOLLAND. That still does not make me willing to support a harmful amendment which would wreck the purposes of the bill.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I should like to have the attention of the Senator from New Mexico [Mr. ANDERSON], because I desire to ask some questions for clarification of the RECORD. What in his judgment would be the effect of the Daniel amendment insofar as increased production of competitive feed grains such as oats, barley, rye, and grain sorghums are concerned?

Mr. ANDERSON. I do not believe the Daniel amendment as now drawn will have much effect. I believe it will have some effect on an increase, but I believe the failure is that the Daniel amendment at present does not require the elimination of acreage devoted to oats, rye, barley, and grain sorghum. The sponsor of that amendment is now trying to remedy that defect.

Mr. DANIEL. It was the intention of the amendment—and we thought it was so worded—to require the same 15 percent reduction of acreage in the case of those commodities as is required in the Hickenlooper amendment with reference to corn. However, in order to make it absolutely clear we are at this time preparing language which will clarify that point and resolve any doubt about it.

Mr. DIRKSEN. Is it true that in Government stocks the amount of the surplus of feed grains is 20 percent of what is held in corn at the present time? I have not seen the figure, but I have been told that that was correct.

Mr. ANDERSON. I cannot answer that question. I believe it is approximately right. However, I might be confronted with some evidence that I was wrong. I am not sure. I believe it is true.

Mr. DIRKSEN. Does the Senator from New Mexico have an opinion on the basis of what this will do to prices, and whether it will invite the importation of grains from other countries like Canada?

Mr. ANDERSON. I believe it would have a great influence and would invite the importation of grains from Canada and from other countries of the world. We had such evidence presented before the Committee on Agriculture and Forestry. Some people have tried to smuggle their good wheat from Canada as wheat unfit for human consumption in order to take advantage of a customs situation. To do that they are willing to sell their wheat at below what the price might otherwise be. I believe in this situation we would be inviting the importation of foreign grains.

Mr. DIRKSEN. I should like to ask one other question. I note that since 1953 there has been a very substantial increase in the production of competitive feeds—oats, barley, and grain sorghums. From 1953 to 1955 I believe the figures are 360 million bushels of oats, 148 million bushels of barley, and 123 million bushels of grain sorghums.

Conversely, at the same time there has been a diminution in the production of corn for feed. If that trend continues, what we will be actually doing will be to add three basic commodities to the list, and then for one grain, namely, feed grain, which has been in distress for so long a time, we will only be aggravating the difficulty. Is that not correct?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ANDERSON. I should like to answer the Senator's question by saying that overall the production of corn did not drop very much. What happened was that the Corn Belt—the great States of Iowa, Indiana, Illinois, and others—shrank their production by something more than a million acres, and the areas outside the belt pushed it up a million and a half acres, by reducing cotton acreage and some other acreage. The result was that the production of corn as big as before so far as acreage was concerned.

The total overall production of corn last year was in the neighborhood of 3,800 million bushels. One year before

that it was only 2,799 million bushels.

Of course there had been variations in weather conditions, and so forth. However, the important point I am trying to make is that the States of Illinois, Indiana, Iowa, and to some extent Minnesota shrank their corn production, and in the fringe areas new corn production came into being.

I think the effect of this amendment might be that to bring about an enormous expansion in the quantity of oats, rye, barley, and grain sorghums because of a stimulated price.

Mr. DIRKSEN. So that we have not improved the situation one bit thereby.

Mr. ANDERSON. No.

Mr. DANIEL. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. DANIEL. We would, under the amendment as it was modified, because it requires a certain acreage reduction by providing that the first 15 percent of the acreage planted to each of the crops shall be put into one of the reserve programs. Then the amendment further requires that the planted acreage shall not exceed the amount planted during the preceding 3 years. So the amount of feed grains planted in the future will be reduced, or else the farmers will not participate under this program. That is one of the main purposes of the amendment. Feed grains are now competing with corn.

All the corn farmers from whom I have heard think there should be something done about feed grains to reduce their acreage and put them nearer in line, because feed grains have been hurting corn. We think something would be accomplished by the reduction of acreage. My proposal requires the same reduction as is required under the Hickenlooper corn amendment.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. I think the point should be brought out that the great increase in the production of feed grains has come at the very time the support levels have gone down. They have been reduced, and as we reduce the support levels, we increase production. When we have no crop compliance with acres taken out in the wheat area, the only thing we could do, when there was a reduced price, was to go into any kind of a crop. So the only answer we know of is that so long as we are going to use allotments, we should try to provide a support level for feed grains which will not invite overproduction. We hold them for compliance purposes, conservation reserve, and price supports, to the established historical basis on these grains during the past 3 years.

Mr. DIRKSEN. I have not been advised that the Department has had any difficulty in maintaining a reasonable balance.

Mr. HUMPHREY. Oh, may I say that the growth of Government supplies of feed grains has been rather substantial.

Mr. DIRKSEN. But it has not gotten out of hand.

Mr. HUMPHREY. Some 9 million tons have been grown in the past 3 years.

Take, for example, the price-support level on grain sorghums. It went down 24 percent, and production went up 173 percent when the price-support level went down. In a situation like that, the farmers produce more. When there is a sharp acreage reduction and a drop in support price, the farmer, in order to pay his bills, plants feed grains which compete with wheat and corn and thereby make the situation all the more aggravated. If we are going to have allotments, we should have a fair support level for the feed grains related to corn. As one Senator, I have fought for several years for a feed-grain program related to corn on the basis of its feed value. With the soil bank, acreage reserve, and conservation reserve being available to feed grains and corn, we have a chance to cut back the production and not have it out of line.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. ANDERSON. Mr. President, I have just noticed a speech which was made at the Farm Institute, which points out that while we have reduced corn acreage 32 percent the rest of the world has reduced it 49 percent. While we have cut down on wheat production 29 percent, Canada has gone further than that, and while rice production has been cut 18 percent in this country, the production in the rest of the world is off 11 percent.

Mr. CARLSON. Mr. President, let me say that we took out of production 15 million acres of wheat land and planted sorghum. The figures on production of oats, barley, and grain sorghums over the 10-year period 1944 to 1953 are 558 million bushels, or 11.1 million tons. I mention this because what has happened in the wheat area is that we have produced these crops to the detriment and harm of the corn-growing areas, and we must take those acres out.

Mr. DIRKSEN. It adds up to this, that if we have a balanced pattern which will supply the needs of the country with a reasonable carryover and a reasonable amount for export, what do we do with the acres in order to avoid trouble?

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. LEHMAN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. LEHMAN. I wonder whether the distinguished Senator from New Mexico can advise me regarding the following matter which is of concern to the dairy farmers of my State. The State of New York is, of course, not a great producer of grain. On the other hand, it is a very great producer of dairy products, second only to Wisconsin. About 75 percent of the entire agricultural industry of New York State is dairying. I can see the justice of the contention that if special preferences are provided for corn, other feed grains should be treated with equal fairness. But I wonder whether the distinguished Senator from New Mexico can give me some information as to the extent of the increase in price which would almost inevitably result from the passage of the Hickenlooper amendment.

That is of very great concern to the farm people of my State.

Mr. ANDERSON. I appreciate the courtesy shown by the Senator from New York in asking me that question. It is my impression that it would be more than 10 percent and less than 20 percent.

Mr. LEHMAN. It would be 15 percent, at least?

Mr. ANDERSON. I think so. The price of grain sorghums is now, roughly, \$1.78, and it would go to \$2.37, which is more than 20 percent, in fact, but I would not be able to calculate it quickly.

Mr. LEHMAN. But, in the opinion of the Senator from New Mexico, there would be a very substantial increase in the cost of feed grains.

Mr. HUMPHREY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. The dairy products producer, the cattle producer, and the hog producer, have now at long last come to the conclusion that cheap feed is not the answer to their problem. In fact, it aggravates it.

If there was one line of testimony which was repeated throughout the hearings, it was to the effect that one of the reasons why we have had a problem in the dairy industry and a problem with reference to hogs and livestock was the depressed price of feed. The dairy-men and their organizations are of that opinion.

Furthermore, I may point out that in the noncommercial areas the price of feed is almost always above the support price in the commercial areas. Because of the problems of transportation, freight-rate differentials, and other things in many of the areas in the Far West, the Northwest, and the Northeast, the price of corn will be far above what the support level of corn is in Minnesota and Iowa. Frequently this is the case with feed grains. The feed-grain prices are considerably higher in the feed-deficit areas than are the support prices in the feed-producing areas.

I say most respectfully that I do not think a modest improvement in the support price levels for feed grains will be any detriment at all to the dairy producers in areas such as New York, where there are feed deficits. It will actually be of some help to New York. It will provide, in a normal dairy State, where the dairy plant is already organized and established, where the blooded herds are to be found, where the expensive dairy equipment is on hand, that a reasonable price for feed grains, as compared with a cheap price, will keep other producers out, and thereby prevent an accumulation of excess supplies.

One of the great invitations to persons to get into the dairy business and the hog or cattle business overnight has been cheap feed-grain prices, which have thus aggravated the problems of the dairy producers.

My sentiments are expressed by none other than the National Milk Producers Federation and other great groups who are keenly interested, and who have as their main interest the protection and welfare of dairy producers.

Mr. LEHMAN. The milk producers of my State are in a very serious position. They are caught between the two jaws of a vise. They are caught in a squeeze. Their revenues have been very greatly curtailed over the past 2 years, to the extent of between 20 and 30 percent.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. ELLENDER. Mr. President, I yield 2 additional minutes to the Senator from New York.

Mr. LEHMAN. Conversely, the prices which dairy producers have to pay for their feedstuffs, their equipment, and their general supplies for their farms and their households have not decreased. So, on the one hand, they have sustained a very great loss of revenue, while, on the other hand, they have incurred an increase in the cost of their living.

I cannot help but fear, although I am sorry I have not any statistics which are available to me, that if the Hickenlooper amendment shall be agreed to, the price of feed grains, which are so necessary to the farmers of New York, will increase, and in that way widen the losses which many of them are now suffering, or at least will wipe out such very, very slender and niggardly profits as they may still be making.

Mr. HUMPHREY. The amendment which has been attached to the Hickenlooper amendment on feed grains pegs the price of feed grains to the price-support level of corn, less 5 percent, taking into consideration the feed value equivalent of those grains. Actually, the dairy farmers will not be in so difficult a situation as they have been in the past. The Hickenlooper amendment, as modified by the proposal of the Senator from Texas [Mr. DANIEL], will make certain that the feed grains will not be driven out of the market. That is what the modification will do. At best, it is an effort to prevent a rout; to prevent a major collapse of the feed grains industry.

Frankly, one of the problems in recent days has been the disparity of relationship between the price of corn and the price of feed grains. This has aggravated the conditions in the livestock and dairy industries. The amendment will do nothing more or less than provide for a definite relationship of feed value equivalents between corn and feed grains. The price support for corn this year is 81 percent of parity, which, in my book, is 9 percent below what it ought to be. But that means that feed grain prices likewise are adjusted to the price-support level of corn, which is downward.

Mr. LEHMAN. It has frequently been pointed out on the floor of the Senate that an exceptional advantage is offered by the Hickenlooper amendment to corn as compared with other crops.

I am not opposed to the Daniel amendment, which it seems to me is fair; but I am opposed to the basic amendment to which it is intended to be attached—in other words, to the Hickenlooper amendment, which I think is unsound in the form now before the Senate.

Mr. DANIEL. Mr. President, I ask that I may be yielded 3 minutes.

Mr. ANDERSON. Mr. President, I yield 3 minutes to the Senator from Texas.

Mr. DANIEL. I should like to have the special attention of the Senator from New Mexico [Mr. ANDERSON], with whom several Senators have been working on language to clarify a part of the Hickenlooper amendment. The language has now been accepted by the Senator from Iowa.

The proposed modifications would simply clarify the amendment in line with the purpose of the authors under the requirement that producers, in order to be eligible for support, must comply with certain conditions. The language would read:

(2) The producers of such commodities, to be eligible for price supports, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres of grain sorghums, rye, oats, and barley equivalent to 15 percent of the average number of acres devoted to production of such commodities during the preceding 3 years.

At the end of the amendment, in the last sentence, to which there was objection, it is proposed to add these words:

With such adjustments on price-support levels for each such grain as determined by the feed equivalent that such grain bears to the feed value of corn.

I should like to ask the Senator from New Mexico if I am correct in saying that this language accomplishes the clarification he had in mind.

Mr. ANDERSON. I do not say it cures everything in the amendment; I say it clears up the point I had in mind completely.

Mr. DANIEL. Mr. President, I yield back the remainder of my time.

Mr. HICKENLOOPER. Mr. President, will the Senator from Louisiana yield me 3 minutes?

Mr. ELLENDER. I yield 5 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I modify my amendment in accordance with the modification last made by the Senator from Texas, and as read by him. In other words, I have adopted the Daniel proposal as a modification of my amendment. I shall read the entire amendment, including the Daniel modification, which I have adopted, as follows:

At the end of the amendment add the following new subsection:

"(d) The price of grain sorghums, barley, oats, and rye, respectively, shall be supported in any area through loans, purchases, or other operations during 1956 at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed value equivalents of such grains bear to the feed value of corn: *Provided*, That (1) the support price in any area for the 1956 crop of any such commodity shall not be lower than the support price therefor announced prior to the enactment of this subsection, and (2) the producers of such commodities, to be eligible for price support, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres of grain sorghums, rye, oats, and barley equivalent to 15 percent of the average number of acres devoted to production of such commodities during the preceding 3 years, and (b) planted

an acreage of such commodities not exceeding the average acreage, planted to such commodities on the farm during the preceding 3 years. After 1956 the support level on any such crop shall be 95 percent of the support level established for corn in the commercial area, with such adjustments on price-support levels for each such grain as determined by the feed equivalent that such grain bears to the feed value of corn.

Mr. President, I modify my amendment as read.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator has the right to modify his amendment at this stage.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Kentucky.

Mr. BARKLEY. Mr. President, I have asked for this time, not for the purpose of trying to impart information, but in order to obtain some. I should like to have the attention of the Senator from Iowa and other Senators, in regard to some questions I should like to ask about the amendment as now proposed.

Mr. President, I would have voted for the Daniel amendment as offered yesterday, which has now been accepted in modified form as a part of the Hickenlooper amendment, because I did not think that if the amendment offered by the Senator from Iowa were adopted, corn ought to stand alone among all the feed grains produced in the country, and the other grains should be left out of the picture.

There is provided in the bill a 90-percent support level for millable wheat, and the Senate will have to vote later as to whether it should be retained. If we are to take yesterday's vote as a criterion, it will probably be stricken out. But assuming the provision is left in the bill, then we would still have to consider the nonmillable grains which are used for feed.

Where will the amendment, if adopted, leave the nonmillable grains, which are in competition with corn, rye, barley, and grain sorghums? In what situation will the amendment leave the nonmillable grains which are in competition with corn for feed purposes?

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. YOUNG. The bill provides that the support price for nonmillable wheat for feed grain shall be at a level not less than 5 percent below the feed value equivalent of corn.

Mr. BARKLEY. In other words, it is tied in with the feed value of corn?

Mr. YOUNG. Yes.

Mr. BARKLEY. Just as the amendment now proposes to tie in rye, barley, and other grains?

Mr. YOUNG. That is to give corn protection.

Mr. BARKLEY. Was wheat on the same basis?

Mr. YOUNG. No. Wheat would be at a disadvantage of 5 percent.

Mr. BARKLEY. It occurred to me that there would be a disadvantage of 5 percent.

Let me ask a question about the corn situation. Corn was designated one of the basic commodities in the original

farm legislation, and the producers of corn had the same right to go into the program as did the producers of other crops, but they have not done so. As I understand, there has never been a vote among corn growers of the country on marketing quotas and acreage allotments for corn. Am I right?

Mr. HUMPHREY. The Senator is right.

Mr. ELLENDER. The Senator is correct, and there were no penalties.

Mr. BARKLEY. The Secretary of Agriculture has fixed allotments for corn which have not been observed, on the whole, as I understand. Some corn growers have observed the allotments fixed by the Secretary of Agriculture; others have not. It depends on their own desires or wishes whether they observe them or not.

Mr. ELLENDER. The Senator is correct.

Mr. BARKLEY. Let me ask if it is true, as I have been told is true of the amendment on which we are asked to vote, that it in effect accepts the historical corn production as the allotted basis, whereas wheat, cotton, tobacco, and other farmers have voted their own allotments and have been willing to vote their allotments. Is that correct?

Mr. ANDERSON. The Senator is absolutely correct.

Mr. BARKLEY. In the case of tobacco, which is not competitive with any commodity about which we are now talking, in 1956 the Secretary cut the quota 25 percent. Then Congress passed a bill authorizing tobacco growers to vote on a further 15 percent cut, which was adopted by the tobacco growers by a vote of 95 or 96 percent of those voting. So last year there was a cut of 40 percent in the acreage of tobacco. Then the Secretary imposed another cut of 15 percent, which would have made a 55-percent cut in acreage in 2 years, but Congress passed a bill restoring the 15-percent cut, and the President signed it, so the additional cut does not go into effect this year.

If the amendment were to be adopted for corn, I see no reason why it should not be adopted for other grains. Yet I am not sure that the adoption of the amendment as it has now been modified—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 5 additional minutes to the Senator from Kentucky.

Mr. BARKLEY. I am not sure the combined amendment as offered, on which the Senate must vote, provides a fair level and a fair ratio and a fair distribution as between the growers of those grains who have tried to cooperate with the program and those who have not cooperated with it, and who are now seeking to enjoy the same benefits as those enjoyed by growers who did cooperate, if not greater benefits.

Am I correct about that or not? The Senator from North Dakota may answer that question, if he wishes.

Mr. YOUNG. Will the Senator repeat the question?

Mr. BARKLEY. The question is whether the amendment on which we

are about to vote gives to corn growers an advantage which growers of other grains who have cooperated would not receive?

Mr. YOUNG. I think that is true. To some extent it is justified, but I believe the supporters of the amendment are going too far. I think corn is in a somewhat different category in that it is mostly used as feed. I believe corn growers are justified in getting an increased acreage allotment, but not to the extent proposed.

Mr. President, I should like to correct the statement I previously made about feed wheat. The bill provides that the price of feed wheat shall be supported at such level as the Secretary determines will preserve the competitive relationship between such wheat and corn on the basis of their respective feed values.

Mr. BARKLEY. In other words, the Secretary could establish the same price-support level for nonmillable wheat that is fixed for corn.

Mr. YOUNG. I wanted to correct my statement, because the amendment had been changed in a manner that had slipped my mind.

Mr. BARKLEY. My State is not a great corn producer, but corn is produced in the rich valleys of the Ohio, the Cumberland, and other rivers. There flow in Kentucky more navigable streams than in any other State, and there are always rich valleys which always seem to be devoted to the raising of corn. So my State is interested in corn as well as other crops. I cannot answer the question why corn producers have not come into the quota system, but they have not.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. The reason why quotas have not been applicable to corn is that nobody in the Department of Agriculture in any administration has been able to figure out a way to make quotas applicable to corn. I think the former Secretary of Agriculture, the Senator from New Mexico [Mr. ANDERSON], will verify that statement. That is why corn growers have not been able to come under quotas. The overwhelming supply of corn goes for feed for animals raised in the area. No one has been able to work out a practical quota system for corn. That is the reason why corn producers have not come under the program.

Mr. BARKLEY. It is true that a large part of the corn grown is feed corn, but there is a large corn area wherein corn might be sold on the basis of supply and demand, and the prices might be modified by an agricultural program. Regardless of that, those of us who would like to help corn producers are in the very embarrassing situation of trying to determine whether we should vote for the amendment in order to get recognition for smaller grains.

I am sorry we did not have an opportunity to vote on the amendment of the Senator from Texas [Mr. DANIEL] on its own merits, as an amendment to the amendment of the Senator from Iowa [Mr. HICKENLOOPER]. But now we have to vote on the two, combined—although

it is rather difficult to understand just where we can draw the line between these grains and corn and the nonmillable wheat, all of which are in the same category, and to know whether we are doing justice to all of them.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The question is on agreeing to the motion of the Senator from New Mexico [Mr. ANDERSON] to strike out certain language from the amendment, as modified, of the Senator from Iowa [Mr. HICKENLOOPER].

Mr. ELLENDER. Mr. President, if no other Senator desires to be heard, I am prepared to yield back the remaining time for our side.

Mr. ANDERSON. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from New Mexico has 5 minutes remaining.

Mr. ANDERSON. Mr. President, I shall yield back all of that time except approximately 30 seconds, which I shall use in order to say that I would vote for the Daniel amendment if it were separately before us; but I will not vote for it and still keep all the 56 million acres for corn. I want that explanation to appear in the RECORD.

Mr. LEHMAN. Mr. President, will the Senator from Louisiana yield 30 seconds to me?

Mr. ELLENDER. I yield to the Senator from New York the time he requests.

Mr. LEHMAN. Mr. President, I wish to associate myself with the statement which has been made by the Senator from New Mexico [Mr. ANDERSON]. I would gladly vote for the Daniel amendment if it were a separate amendment; but I cannot see any reason under the acreage control should be singled out and why corn which is not subject to acreage control should be singled out for preferential treatment. I think that unfair to the other commodities which also are vital parts of American agriculture.

So I shall vote against the Hickenlooper amendment in its present form.

Mr. ANDERSON. Mr. President, I withdraw my motion.

Mr. RUSSELL rose.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia [Mr. RUSSELL] is recognized for 10 minutes.

Mr. RUSSELL. Mr. President, first, I wish to say that it was with great regret that I felt constrained to vote, last evening, against the amendment proposed by the distinguished Senator from Minnesota [Mr. HUMPHREY]. Whatever differences of opinion we may have had on other matters, I have always saluted the Senator from Minnesota as a stalwart champion of the farmers of the United States, wherever they may live, and whatever they may produce.

I have been amazed at the record the Senator from Minnesota and the chairman of the Committee on Agriculture and Forestry, the distinguished Senator from Louisiana [Mr. ELLENDER], have made on the pending bill. It is a ver-

itable storehouse of information and facts, buttressed by strong arguments in favor of a farm program which would give some relief to the struggling farmers of the Nation, who today are continuing to lose ground, when their economy is considered in comparison with the economy of other groups.

Mr. President, I cannot in good conscience support any proposition which would continue to give to the corn farmers in the commercial corn areas the status of complete, free riders. From the first day when the program was written, corn has dominated it. With the exception of a very few years, corn has dominated the Department of Agriculture. Corn is the only one of the great basic commodities which has never been for 1 day under any real restrictions as to production. Corn has never been under any marketing quotas. There is not a corn farmer in the Nation who has ever been compelled to plow up 1, 2, or 3 acres of corn or to pay a penalty on the excess amount he produced over and above his marketing quotas. Half of the corn farmers usually go into the loan program and comply with their acreage allotments, because it was desirable for them to do so in their farming operations, and thus would hold an umbrella over the other half, in respect to the price of corn who planted as much as they wished, without regard to their acreage allotments.

I shall happily vote for up to 90 percent of parity supports on corn in the commercial corn-producing area, even preserving the discrimination against the noncommercial areas that produce corn, if all the producers of corn will submit themselves to the controls which have been imposed upon all the other basic commodities, as those controls have been spelled out in all farm legislation.

I say the corn farmers have occupied a privileged position ever since the inception of the program. If Senators will refer to the time when we began to provide benefits to farmers, Senators will find that the payments made to corn farmers were greater per acre than the payments made to the producers of any other commodity. That situation has been frozen into the soil conservation program, and all through the years has enabled the corn farmers to get from the soil conservation program larger payments, for acres and practices, than the payments which were available to the producers of other commodities.

There is another situation which further indicates the privileged status the corn farmers have. Today, a corn farmer in the State of Alabama, let us say, might produce corn, and to all intents and purposes he would not have any support at all, although under the law he is supposed to have 75 percent of the supports provided in the commercial corn areas. But no storage facilities are available. In the small rural county in Georgia in which I live, last year good corn sold for 85 or 90 cents a bushel because there were no supports. We are not in the favored commercial area. No controls are needed when we differentiate in that way against the

farmers outside the commercial area, because the corn produced at that price level is so small that it requires no law to control production.

Mr. GORE. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. GORE. If the privilege of having price supports without being subjected to control is to be extended to the producers of one basic commodity, what would be the attitude of the distinguished Senator from Georgia in regard to extending the same privilege to the producers of the other basic agricultural commodities?

Mr. RUSSELL. Of course, the question of the Senator from Tennessee would answer itself, were it not for the fact that corn has always occupied a privileged status, and the producers of corn expect it to continue to do so under this amendment.

Mr. President, I will say that if the producers of any other agricultural commodity had had brought before us, on the floor of the Senate, such an amendment to apply to the commodity they produce, that proposal would have been labeled as preposterous. If the wheat farmers or if the producers of other of our basic agricultural commodities which are under acreage controls had asked that they be allowed to step up their production to this extent and, even though heretofore they have always been subject to penalty for so doing, that in this case they be allowed to do so without the imposition of any penalties, and that they be allowed to participate in the soil bank—and I shall state without fear of successful contradiction that the payments to be made for the corn land placed in the soil bank will be the highest payments per acre made for any land in the Nation—such an amendment would have been bitterly opposed on the floor, and any Senators who made such a request would have been laughed off of the floor.

Mr. President, the producers of corn—different from the producers of our other agricultural commodities—have seized upon their lofty advantage, for under the law they have been able to produce as they saw fit, with or without loans, and through their leaders have been able to disembowel the programs for all the other agricultural commodity producers of the Nation. Personally, I am sick and tired of it.

I am willing to have the producers of corn given a square deal, and I am willing to vote for 90 percent of parity for them, if they will accept the limitations and controls and heartaches which are borne by the producers of cotton and the other basic commodities.

It is proposed that the production of wheat be fixed at 55 million acres. In the past it has been as high as eighty-odd-million acres. The wheat farmer will have to make further cuts, if he is to participate in the soil bank and to receive the payments.

The same applies to the producers of cotton. Cotton production has now been brought down to approximately 17 million acres.

In the case of corn this amendment gives them a free cushion, over and above the allotment this year, of 6 or 7 million acres to put in the soil bank at the very highest rate that will be paid. What will that do? There is not more than \$750 million in that fund. It will take away most of the soil-bank funds from the wheat farmers, the cotton producers, and others who have already submitted to reduction after reduction in production.

So far as I am concerned, I could not support this amendment even if it had a provision in it to support cotton, for example, at 90 percent of parity, under the present acreage limitation. The difference between the acreage allowed by the Hickenlooper amendment and that which is allowed in the case of other basics which have been struggling for many years under reduced allotted acreage is that in the case of the other commodities the acreage allotments are enforced by drastic penalties. The discrimination is so great that I could not accept this proposal.

It may be that the amendment will be adopted. If so, the corn farmers and their leaders in the farm organizations will continue to dominate this program. I do not wish to take a dog-in-the-manger attitude toward the producers of corn or any other commodities. I have never done so. This is the first time I have ever complained against the preference and the advantage which the commercial corn producers have enjoyed. However, I have recognized it from the time the first bill dealing with all agricultural commodities was passed.

We have reached the stage where the producers of other commodities are getting into a bad condition. Apparently they are not going to get any relief from this bill. For my part, I shall vote against the pending amendment, on the theory that if agriculture must go down the drain, all components of it ought to go down together, and let the corn farmers feel what has been done to the producers of other commodities in other sections of the country.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HUMPHREY. First of all, I thank the Senator for his kind and considerate comments. I wonder if the Senator would feel that the cut in corn acreage which was suggested last evening, along with the feed grain amendment, would be an acceptable proposal.

Mr. RUSSELL. I would have grave doubt, because there is no compulsion on the corn farmers in the commercial corn area. They can comply or not, as they see fit, whereas the wheat farmers and the cotton farmers throughout the rest of the United States have no option whatever. Either they are under strict controls, with drastic penalties, or they have no support. This proposal gives what I consider to be very substantial support to corn, in view of the flexing that is going on throughout the Nation, without any control, and without penalties. I think such a proposal, with the modification suggested, would be infinitely preferable to the Hickenlooper

amendment without such modification. I can see how a farmer who is vitally interested in the feed sorghums might support such a proposal, whereas he might not support the original Hickenlooper amendment with the Daniel modification.

Mr. HUMPHREY. I have been as sick over this matter as has any other Senator, because of the manner in which we are dealing with commodity after commodity, and thereby tearing apart what constituted the beginnings of a workable program. Rather than weakening the program, we ought to be strengthening and improving it.

I have long felt that marketing quotas were desirable. I listened to the remarks of the Senator from Kentucky [Mr. BARKLEY] on this subject. I said last night that I felt we were opening up a Pandora's box of trouble. I heard the Senator from Tennessee [Mr. GORE] say a moment ago that perhaps we should do the same thing for wheat and cotton as has been proposed in the Hickenlooper amendment with respect to corn. It seems to me that the point should be made perfectly clear, that the sharp acreage reductions in wheat, cotton, and other basic crops, under the allotments of recent years, are not eligible for acreage reserve benefits. They are eligible, at the most, for conservation reserve benefits.

The great difference between the proposal which is now before us, and the way in which rice and cotton are treated is the fact that corn comes in for the "blue chip" treatment, the premium treatment of acreage reserve benefits for the total historical acreage base with respect to corn.

Mr. RUSSELL. It would be as though we were to say, "For the purpose of the soil bank program we will give wheat an acreage allotment of 82 million acres and cotton 32 million acres, instead of the 17 million acres it now has." If that were done, it would equalize the situation. Otherwise, the preferred treatment in favor of producers in the corn area will be protected and extended.

Mr. HOLLAND. Mr. President, will the Senator yield for one comment?

Mr. RUSSELL. I yield.

Mr. HOLLAND. I think the Senator's comments and comparisons are good. However, I think the situation is even worse than he has suggested, because in the case of corn, the larger acreage has been built up by noncompliance with an allotment program, whereas in the case of wheat, when the acreage went up to 82 million-plus, at least the wheat producers were complying with the program which was laid down.

Mr. RUSSELL. That statement is absolutely true.

The amendment proposed by the Senator from Iowa, if adopted, would have the effect of taking Mr. Benson off the hook. He has proclaimed an acreage of 43 million. Everyone knows that that is unrealistic. Everyone knows that there will be very little compliance, and therefore that there will be very little price support.

I think it might be well for the corn farmers of the Nation to have a little touch of the Bensonizing treatment to which the producers of every other commodity have been subjected. While corn farmers have been free of penalties, all other commodities have been trying to live with the program while taking reduction after reduction in their acreage. It is time to put all basic commodities in the same category and quit increasing the already favored position of the commercial Corn Belt.

Mr. ELLENDER. Mr. President, if no other Senator desires to be heard, I yield back such time as may remain on our side. Does the Senator from New Mexico yield back his unused time?

Mr. ANDERSON. That is, on the motion to strike a certain section?

Mr. ELLENDER. Yes.

Mr. ANDERSON. Mr. President, I yield back the unused time on our side on that question, and I send to the desk an additional amendment to the Hickenlooper amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 7, after line 5, it is proposed to add a new section, as follows:

SEC. 407. Notwithstanding any other provision of this law, the Secretary of Agriculture, in determining the farm base acreages for wheat, rice, cotton, and tobacco under the acreage-reserve program, shall calculate such wheat, rice, cotton, and tobacco acreages on the same basis as provided by section 203 of the Agricultural Act of 1956.

Mr. ANDERSON. Mr. President, this is merely an effort to find out how we feel about applying to other commodities the treatment given to corn. I do not think it ought to be done to any of the commodities, but if we are going to say that corn acreage in the commercial areas shall be 56 million acres, even though last year the Secretary of Agriculture made an allotment of 49 million acres, I do not think we ought to punish the producers of rice, who took a 200,000-acre cut one year and a 400,000-acre cut another year. I do not think we ought to punish the farmer who grows wheat. I have had a difficult time explaining to wheat producers why their allotments are cut down. They say, "We have had 4 straight years of drought, and yet our allotments are cut more and more as the years go by."

I have been unable to understand why the corn producers are told that their base is to be 56 million acres. I understand that the allotment for 1956 is 43 million acres. So we add 13 million acres to the allotment, and come up with a figure of 56 million acres, and say, "If the farmers in the commercial corn areas will only play ball with the soil conservation program and cut their acreage back from 56 million acres, we will give them approximately \$28 an acre for every acre they cut below 56 million acres." That is 13 million acres above what the Secretary of Agriculture said the allotment ought to be. We surely have no penalty on corn. I recognize that fact, but we lost the penalty not so much as a result of the desire of Congress but as the result of bad advice given to Congress.

There was submitted to the Committee on Agriculture and Forestry an amendment which tried to clear up the penalty provision. The Senate took the amendment as submitted by the Department of Agriculture and enacted it into law. Then the Department of Agriculture said, "You made a mistake. You left out the penalty on corn also."

I am not so sure it was a mistake. In any event, the Senate committee and the Senate acted innocently in trying to do the very best to find a way to bring this matter back into the picture.

We are told that we cannot put the penalty provision on corn, because the corn growers will not observe it. I agree that is correct. I believe it is very difficult indeed to control the production of corn. I believe we will have about 56 million acres of corn in the Corn Belt regardless of what we do, but this amendment will say to the farmer, "Even though you have a large production, you shall be paid for coming down from the 56 million instead of coming down from the 43 million figure, which the Department has said should be the corn acreage."

If we are to do that for corn, then, my amendment provides, in that section which we are modifying with the Hickenlooper amendment that the same treatment shall be accorded wheat.

What is wrong with that? The wheat farmers at least have carried out their contract with the Government. The able Senator from North Dakota [Mr. Young] at one time came before the committee when we tried to bring wheat production down, to object that we were cutting the support price and the acreage at the same time. He hoped that we would not cut it so much, so that the blow would not be so heavy.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. As I understand, the Senator's amendment would apply the same formula to the basics straight through; is that correct?

Mr. ANDERSON. If we are going to apply it to corn, yes. Of course I do not want to apply it to any basics. I am opposed to the whole idea.

Mr. HICKENLOOPER. The effect would be to cut cotton acreage from 17 million to about 6 million acres, if the same formula were applied, and to cut wheat from 55 million acres—

Mr. ANDERSON. I do not believe it would do anything of the kind.

Mr. HICKENLOOPER. I thought the Senator wanted to apply to the other basics the same formula which would be applied to corn, or down to 43 million acres for wheat.

Mr. ANDERSON. No. I do not mean that it would apply to 43 million acres. We have a provision of 55 million acres for wheat. The Senator from North Dakota [Mr. Young] has fought hard for wheat farmers, until one day he was bitter toward me because I was opposing him and because he thought I was trying to do something to hurt his wheat farmers.

Why should we say to him now, "Never mind the wheat farmer. He has been

reduced from 77 million acres to 72 million acres to 61 million acres to 55 million acres, but now we will ask him to cut the production a little more." However, his neighbors in the adjoining States, corn farmers, can have an acreage of 56 million; no allotments will be imposed, and they can plant what they want to plant, and then will be given soil-bank payments.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GORE. I find myself persuaded by the compelling argument of the Senator from New Mexico. It happens that I have the privilege of, in part, representing a State which has some area in the commercial-corn area and a small area in the Wheat Belt. In my State there are also producers of corn, tobacco, cotton, and wheat. How can I vote to press controls upon the producers of cotton and wheat and tobacco and then vote for a bill containing an amendment which would give price support to the producers of corn without production controls?

Mr. ANDERSON. I do not know. I have offered an amendment which attempts to write into the law the soil-bank proposal the Farm Bureau had worked out. That proposal would eliminate acreage allotments for corn. I have no objection to that. However, in the Committee on Agriculture and Forestry we tried time after time to bring it into some balance—and the Senator from Minnesota offered amendments to put it at 53 million acres, and suggested various other figures—but no figure was satisfactory. Later we found out that 56 million acres was satisfactory to the Department of Agriculture. Not one member of the committee will testify that the representatives of the Department of Agriculture, when appearing before the Committee on Agriculture and Forestry, said that 56 million acres would be satisfactory. They wanted 49 million acres, and finally 51 million acres. They did not want 56 million acres.

Why is it all right now? Has anything happened in the intervening weeks? If so, what is it?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I have been rereading the latest version of the amendment relating to small grains. It seems rather disturbing in one respect. I should like to quote to the Senator from New Mexico this portion of the amendment:

Provided, That (1) the support price in any area for the 1956 crop of any such commodity shall not be lower than the support price therefor announced prior to the enactment of this subsection, and (2) the producers of such commodities, to be eligible for price support, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres of grain sorghums, rye, oats, and barley equivalent to 15 percent of the average number of acres devoted to production of such commodities during the preceding 3 years, and (b) planted an acreage of such commodities not exceeding the average acreage, planted to such commodities on the farm during the preceding 3 years.

It looks to me that, although they are required to take out 15 percent of the acreage which they have planted during the 3 previous years, they are permitted to plant an equivalent number of new acres. Therefore, in effect, the producers of small grains would not be required to reduce their overall production of those commodities at all. Even if this amendment should be attached to the corn amendment, the corn producers would still be required to reduce their cropland acreage in an amount equal to 15 percent of the corn base acreage.

Mr. ANDERSON. I say that that only illustrates how difficult it is to write an agricultural bill on the floor of the Senate, scratched on the backs of envelopes and things like that. I agree that it is hard to interpret what the provision means. I am not sure that I have the right interpretation even now.

Mr. AIKEN. What it indicates to me is that what we are trying to do on the floor and have tried to do during these weeks and months illustrates how difficult it is to run everybody's business in detail from Washington. However, this particular wording looks to me as if feed grain producers were trying to reduce their own plantings 15 percent but were permitted to plant new acreage not exceeding the average of the last 3 years, in which case they would have an advantage over the corn grower.

Mr. ANDERSON. The sponsors of the proposed legislation understand that all the tillable acres would be considered and it would be necessary to reduce the tillable acres. If it does not say so, it again illustrates how difficult it is to try to write an agricultural bill on the floor of the Senate. I should like to have had this matter brought up in committee, so that we would have had a chance to study it. We had proposals made by the Senator from Iowa [Mr. HICKENLOOPER], and we had proposals made by the Senator from Minnesota [Mr. HUMPHREY], and various others with reference to the question of grain sorghum and with reference to corn. The interesting thing is that the bill emerged from committee without any of these provisions in it. That illustrates how difficult it is to prevent loopholes in a bill of this kind.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HUMPHREY. First of all, I wish to say to the Senator from New Mexico that I realize why he has offered his amendment. It is because he believes in simple justice. I regret to say that the amendment which the Senator has offered will only aggravate an almost impossible situation, but, at least, it is based upon the principle of equal treatment.

The point has been well developed in the debate that a number of producers have had to take rather severe acreage cuts. I come from a State where there are 58 commercial corn councils. I do not think the people of my State want me to be here trying to wreck the farm program in order to give them a particular and special advantage, because we produce other things besides corn,

and the farmers of the State of Minnesota want a workable program and not one which is going to lead to greater and greater trouble.

The acreage allotment of corn, 43 million acres, prescribed by the Secretary of Agriculture, was not only unworkable, but it was not even the recommendation of the people in the Grain Division of the Department of Agriculture.

I repeat that statement, Mr. President. The acreage allotment of 43 million acres for corn was not only unrealistic and unworkable, but it was not the recommendation of the trained experts in the Grain Division of the Department of Agriculture. Their recommendation was approximately 51 million acres.

I wish to know why the Secretary, just before the Hickenlooper amendment is proposed, comes out with this impossible figure of 43 million acres, except to make the program unworkable, and by making it unworkable, to make it so that farmers will not comply; then to come back later on, as the Senator has said, and offer a figure of 56 million acres, which not a single representative of the Department was willing to justify.

If the Senator's amendment is pushed to a vote, I shall feel bound, out of the simple principle of elemental justice, to support it. But if the Senator's amendment is not adopted, I shall offer an amendment to the Hickenlooper proposal, keeping in it what the proposal of the Senator from Iowa has in it, and keeping in the Daniel amendment which has been worked over with considerable care—a proposal to cutback 56 million acres on the basis of total acreage to 51 million acres. I can testify that that is a scientifically arrived at figure.

I wish to serve notice that the debate will not be over for some time.

Mr. ANDERSON. When the Senator offers an amendment to cut the acreage to 51 million acres I shall vote for it, because we have had testimony from officials of the Department of Agriculture that that is sufficient. The other 5 million acres, by any rule that can be applied, represent an effort to get \$140 million for the soil bank.

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. I should like to have the attention of the Senator from Vermont [Mr. AIKEN]. Only a few moments ago, he pointed out that there was some possibility that the language used in the Daniel amendment might require a reduction of 50 percent in planting, and yet, in the next sentence, allow the average for the past 3 years to be planted.

The Senator knows, because the amendment was drawn in his office this morning, that the intention is not to have the language conflict with that in the preceding sentence. As legislative history and for whatever purpose it may be used, I should like to say to the Senator from Vermont that the acreage referred to means less the 15 percent required to be put into one of the reserve programs.

Mr. AIKEN. Yes. And I think it should be made clear for the record that

the intent is to require a planting of feed grains 15 percent less than was planted on the average during the preceding 3 years.

Mr. DANIEL. That is correct.

Mr. GEORGE. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. GEORGE. I merely wish to invite attention to the fact that in the pending bill the soil-bank provision is not permitted to include peanuts. I have an amendment which I shall offer, giving to the peanut producer the right to come into the soil bank. The high production of peanuts in this country was in 1949, when it was 2,308,000 pounds. By law it cannot be reduced below 1.61 million pounds. We should be very happy indeed to put immediately into the soil bank the difference between 2,308,000 and 1.61 million pounds.

Mr. ANDERSON. Would not the Senator like to have a payment of \$25 an acre for the difference between 1.61 million and 2.3 million?

Mr. GEORGE. Exactly.

Mr. BARKLEY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. BARKLEY. I am disturbed over the word "tillable" in the reference to the allocation of tillable acres. It means any acreage which is capable of being tilled, does it not?

Mr. ANDERSON. Maybe we should have used the words "cultivated acres."

Mr. BARKLEY. Suppose a man has 200 acres capable of being tilled for the cultivation of one of these products, but he attempts to plant only 100 acres. Can he reduce his acreage from the noncultivated land?

Mr. ANDERSON. I would think not.

Mr. CASE of South Dakota. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. CASE of South Dakota. In my State about half of the production is in the commercial corn area and we have had a uniform support price for feed grains throughout the State. I am wondering if this amendment will cause two different prices for feed grains in the State, one in the commercial corn area, and a different one in the noncommercial corn area. The amendment provides that the price shall be supported at a point determined by the Secretary to bear the same ratio to the support price of corn, and so forth.

Mr. ANDERSON. I still think that the effect of the Daniel amendment would have been to differentiate between the commercial areas and the noncommercial areas. However, the authors have provided that the support level for 1956 shall be the one that is announced, and for 1957 there will not be a distinction between the commercial and noncommercial areas. By 1957 there will not be any because of the provisions of the law, and in 1956 there will not be any because of the provisions which have already been made.

Let me say, Mr. President, that I have a little interest in this matter from another standpoint. I am looking at the advertisement of President Eisenhower's

program for wheat, corn, dairy products, soybeans, cotton, and rice. I do not think I need to tell the Members of the Senate that yesterday I tried to contribute something toward the President's program. The headline says I won a great victory. I was not trying to win victories for the candidates of either party. I was trying to do something for the American farmer. I do not think that what I have done makes me an enemy of the administration. I think they have made a mistake in going too far. I think 56 million acres is too much. I devoutly wish that the Senator from Iowa had proposed his amendment on a 51-million-acre basis.

Corn is not an easy product to handle.

Mr. AIKEN. Mr. President, while the Senator may enjoy politics in some fields, during all the years I have worked with him, when he was Secretary of Agriculture and since he has been a member of the Committee on Agriculture and Forestry of the Senate, I have never found any tendency on the part of the Senator from New Mexico to play politics with farm legislation. He has always based his actions upon the merits of the proposed legislation, and not in terms of votes. In my judgment, for what it is worth, that is what he has done.

Mr. ANDERSON. I deeply appreciate that expression from a man who holds the exalted position in the Senate which the Senator from Vermont holds.

I only say that in this particular instance I know I am not motivated by any political considerations. I think a bill which would provide for a 56-million-acre base on corn would cause so much trouble in other States where other commodities are grown that the Department of Agriculture would never be able to explain the action.

How would one be able to go to the home State of the chairman of our committee, the able Senator from Louisiana [Mr. ELLENDER], and say, "You people must reduce your cotton acreage. You must also reduce your rice acreage."

Too much rice had been grown in Louisiana, and the people of the Senator's State were quick to admit it.

Can we say to them, "You must cut your acreage below those figures if you come into the soil bank; but if you had only been fortunate enough to be in a commercial grain area, this would not have happened"? It is difficult to explain. I think we shall be putting on the Department of Agriculture a burden too great for it to carry.

I firmly believe there may be a reason for the special treatment of corn. The very able Senator from Georgia [Mr. RUSSELL], who was in charge of the agricultural appropriation bill at a time when I was in the Department of Agriculture—and no one could have appreciated more than I did the fine background he has—has pointed out that corn has had this treatment for a long time. But there is no excuse for the treatment which will be given to corn under this proposal.

I, therefore, would like to have the people express themselves as to how they feel about it. If any Senator wishes to vote that corn shall have special consideration, but that wheat, cotton, and

rice shall not, that is all right; let him go ahead. I do not include peanuts, because peanuts for the last 3 or 4 years have been stable.

Here sits the Senator from Mississippi [Mr. EASTLAND], who has asked me several times if I could help him on cotton. How could I face him? I have refused to help him every time on the cotton matter, and I have done so at some personal sacrifice to my good nature.

I think we should study the matter more closely. I think we ought to test the market a little, to see how the people who live in the wheat, tobacco, and cotton States feel about preferential treatment.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. To which side will the time for the quorum call be charged?

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be a quorum call without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smith, Maine
Clements	Kerr	Smith, N. J.
Cotton	Knowland	Sparkman
Curtis	Kuchel	Stennis
Daniel	Langer	Symington
Dirksen	Lehman	Thurmond
Douglas	Long	Thye
Duff	Magnuson	Watkins
Dworshak	Malone	Welker
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Young
Flanders	McCarthy	
Frear	McClellan	

Mr. JOHNSON. I announce that the Senator from Florida [Mr. SMATHERS] is absent on official business.

The PRESIDING OFFICER (Mr. FREAR in the chair). A quorum is present.

PROCEDURE PROGRAM ON FARM BILL—ORDER FOR RECESS TO 11 O'CLOCK A. M. ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I should like to inquire of the distinguished chairman of the Committee on Agriculture and Forestry what his plans are for this week in connection with the pending bill.

Mr. ELLENDER. I intended to make an announcement in a moment, but I shall do so now. Yesterday evening, before the Senate recessed, there was mention made of probably holding the Senate in session on Saturday, provided it

was apparent that we would be able to complete work on the pending bill.

I am confident that there is no possibility of our completing work on the bill even if we sit until midnight tonight and until midnight tomorrow. Therefore I plan to work until 9:30 or 10 o'clock this evening, and then recess until Monday at 11 o'clock, if that is agreeable.

Mr. KNOWLAND. Mr. President, that is agreeable.

Mr. JOHNSON of Texas. I hope, therefore, that Senators will be on notice that there will be no votes taken after 9:30 o'clock this evening. Is that a fair statement?

Mr. ELLENDER. That is fair.

Mr. JOHNSON of Texas. And also that there will be no session on Saturday tomorrow, and that when we leave this evening we will return on Monday.

Mr. KNOWLAND. At 11 o'clock a. m. on Monday.

Mr. ELLENDER. At 11 o'clock on Monday morning.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock a. m. on Monday next.

Mr. O'MAHONEY. Mr. President, I did not understand the Senator's request.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock a. m. on Monday next.

Mr. O'MAHONEY. I thank the Senator for his explanation. I have no objection.

Mr. JOHNSON of Texas. I thank the Senator from Wyoming.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. ELLENDER. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. ELLENDER. I should like to suggest to the Senator from New Mexico that he withdraw his pending amendment. As he knows, the committee has worked very hard on the bill. It is my fear that if his amendment were adopted and put into the bill, it would wreck the whole bill.

I understand the distinguished Senator from Minnesota is now ready to offer an amendment to cut the base corn acreage from 56 million to 51 million. If that is done, I wonder if the Senator will agree to withdraw his amendment.

Mr. ANDERSON. Yes. I think on that basis I would withdraw my amendment, and I so do.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. GORE. Mr. President, reserving the right to object—

Mr. ANDERSON. Mr. President, I ask unanimous consent to withdraw my amendment. That will give the Senator from Tennessee an opportunity to speak.

Mr. GORE. Reserving the right to object, may I inquire of the junior Senator from New Mexico if this means that the amendment offered by the Senator from Iowa is likewise to be withdrawn, and the amendment offered by the Senator from Texas is likewise to be withdrawn?

Mr. ANDERSON. The Senator from Louisiana suggested that a modification making the amount 51 million acres might be adopted. Of course, I reserve the right to offer my amendment again if the proposal is not adopted. I think it will be. All things considered, I believe 51 million acres is a reasonable amount. The Senator from Minnesota offered a figure like that 2 or 3 times in the committee, but it was not adopted. I think the Senator from Minnesota has made a reasonable case. In view of that fact, I was perfectly agreeable to having the amendment offered by the Senator from Texas, and my colleague the Senator from New Mexico and 1 or 2 other Senators, added to the Hickenlooper amendment. That has been done. Under those circumstances I have agreed to withdraw my amendment.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Is unanimous consent necessary in order for a Senator to withdraw his own amendment?

The PRESIDING OFFICER. The original request of the Senator from New Mexico did not require unanimous consent, but he changed his request.

Mr. ANDERSON. Mr. President, I intend to withdraw my amendment. I am trying not to cut off the Senator from Tennessee, who had a question to ask.

The PRESIDING OFFICER. The Senator from Tennessee reserved the right to object.

Mr. GORE. I wish to thank the junior Senator from New Mexico for his courtesy. Of course, it is his privilege to withdraw his amendment without consent. He asked unanimous consent in order to give me an opportunity to ask some questions in an attempt to clarify the situation, which I hope will be the case.

Will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. GORE. Is the Senator satisfied that if the amendment proposed to be offered by the junior Senator from Minnesota should be adopted, we would then have an equitable situation with respect to, and as between, the basic commodities?

Mr. ANDERSON. "Equitable" is a tough word, but I will say I think it will be as equitable as it can be made, in view of the fact that there are no allotments on corn, and allotments on corn are almost impossible.

I think it is also equitable in view of the fact that the great bulk of corn is consumed on the farms and does not

move in commerce. In view of those facts, I believe a fair solution of the problem would be to establish a figure in the neighborhood of 51 million acres. It is extremely important, if the soil bank is to work, to give the corn farmers an opportunity to participate in it, and I think the proposal would give them a reasonable basis for participating in it.

Mr. GORE. Having been persuaded by the very strong and powerful argument of the junior Senator from New Mexico that the adoption of the amendment as proposed would not bring about a highly inequitable and unfair situation, I wish now to withdraw any objection and to follow his leadership further.

Mr. ANDERSON. I appreciate that.

Mr. HICKENLOOPER. Mr. President, I should like to make a brief statement.

Mr. ANDERSON. First, Mr. President, I wish to withdraw my amendment, if the Senator from Iowa will allow me to do so at this time.

Mr. HICKENLOOPER. Certainly; I thought the Senator from New Mexico had done so.

Mr. ANDERSON. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator from New Mexico has a right to withdraw his amendment; and the amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I should like to offer, as an amendment—

Mr. HICKENLOOPER. Mr. President, will the Senator from Minnesota permit me to make a statement which will clarify a great many matters in this connection?

The PRESIDING OFFICER. Let the Chair state that no time remains on the amendment of the Senator from Iowa.

Mr. HUMPHREY. Mr. President, I wish to submit an amendment to the amendment of the Senator from Iowa; and in that way, I shall have some time available to me.

Mr. HICKENLOOPER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. KNOWLAND. Mr. President, I am prepared to yield some time on the bill to the Senator from Iowa in order that he may discuss for a few minutes the matter he has in mind, if that is agreeable to the Senator from Minnesota.

Mr. HUMPHREY. I merely wish to make sure that, inasmuch as the Senator from New Mexico has withdrawn his amendment, some amendment be pending to the amendment of the Senator from Iowa. Therefore I offer the following amendment to the amendment of the Senator from Iowa: On page 2, in line 21, of the amendment known as the Hickenlooper amendment, and identified as "3-6-56-G"—

The PRESIDING OFFICER. Is the Senator from Minnesota offering it as an amendment to the amendment of the Senator from Iowa?

Mr. HUMPHREY. That is correct. On page 2, in line 21, after the word "be", to strike out the remainder of line 21, all of line 22, and in line 23 through the fig-

ures "1955", and to insert in lieu thereof "51 million acres."

The PRESIDING OFFICER. Does the Senator from Minnesota offer that as an amendment to the amendment of the Senator from Iowa?

Mr. HUMPHREY. That is correct.

Now that that amendment to the amendment of the Senator from Iowa is before the Senate I yield to the Senator from Iowa.

The PRESIDING OFFICER. On this question 1 hour is available to each side.

Mr. HUMPHREY. Mr. President, I do not intend to use all the time available to our side. We shall try to expedite the handling of this matter.

I yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, on yesterday and today there has been considerable discussion of the question of the acreage allocations for corn.

The PRESIDING OFFICER. Is the Senator from Minnesota yielding a certain amount of time to the Senator from Iowa?

Mr. HUMPHREY. Mr. President, I yield to the Senator from Iowa whatever time he may need.

The PRESIDING OFFICER. The Senator from Iowa may proceed.

Mr. HICKENLOOPER. Mr. President, during the past 2 days there has been considerable discussion of the amount of acreage to be allowed for corn. I feel that there is still a great deal of misunderstanding about the situation regarding corn and its economic position and the necessity for a reasonable opportunity for corn to participate in the soil bank and the acreage reserve.

I feel that there should be a limitation on the corn acreage. My amendment proposes such a limitation, at the figure of approximately 56 million acres. I believe that is a realistic limitation, and one which represents the amount that must be available, year in and year out, in the Corn Belt, if the corn farmers are to be given a chance to participate in the program.

However, from the discussion which has occurred, I find there is considerable objection to the allowance of 56 million acres, on the average; and a great many of the Members of the Senate feel that the figure 51 million acres would be realistic.

Personally, I feel that the figure 51 million acres is not realistic. However, it is far better than 43 million acres, the amount presently announced, and with which the corn farmers cannot live and still participate in the program for reduction of the acres planted to feed crops.

Therefore, prior to the time when the Senator from Minnesota submitted his amendment, which now is pending to my amendment, I was about to suggest that, in order to make some kind of a realistic approach to the solution of this problem, and in the hope that we can avoid having amendments submitted simply for the sake of obtaining time to argue the question, and in the further hope that we can soon reach a vote on the question, I am willing to modify my amendment—and I do so modify it—so that it will correspond

exactly to the amendment the Senator from Minnesota proposed to my amendment just before I began to speak.

So I modify my amendment as follows: on page 2, in line 21, after the word "be", strike out the remainder of the line and all of line 22 and, in line 23, through "and 1955"; and insert in lieu of the words stricken, "51 million acres." That will mean that the supported acres in the commercial corn area will be fixed by the Secretary at 51 million for 1956. I regret that the figure is not larger. I feel that it is not sufficiently realistic. But I hope we can live with it, and I hope we can gain a substantial percentage of increased participation, as compared with what we otherwise would be able to have.

Therefore, Mr. President, I modify my amendment to that extent.

Mr. CAPEHART. Mr. President, will the Senator from Louisiana yield 1 minute to me?

Mr. ELLENDER. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I shall go along with the proposal for 51 million acres, although I think it is wrong. I think we shall get more compliance and better administration—

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Chair is informed that in view of the fact that the Senator from Iowa has accepted, as a modification of his amendment, the amendment of the Senator from Minnesota [Mr. HUMPHREY], the question recurs on agreeing to the modified amendment of the Senator from Iowa; and on that question, all time has expired.

Mr. HUMPHREY. Mr. President, I understand that the Senator from Iowa is willing to modify his amendments so as to make them conform to the dimensions and terms of my amendment. Under the circumstances, I believe that the easiest way to enable us to reach a vote on this question is to have me withdraw my amendment. But before doing so, I wish to make very clear that what we are doing is literally returning to 51 million allotted acres, all subject to the soil-bank provisions, as contrasted to the 43 million acres which were prescribed by the Secretary of Agriculture earlier this year—in February. I believe that by having this modicum of allotment—limited as it is—at least we shall maintain the principle of acreage allotments as a means of production controls, when we have a fixed parity support.

Mr. KNOWLAND. Mr. President, I yield 2 minutes on the bill to the Senator from Indiana.

Mr. CAPEHART. Mr. President, evidently it is the consensus of opinion of the managers of the bill and the other members of the Committee on Agriculture and Forestry that the Senate should accept 51 million acres. I shall go along with that proposal, although I wish to say I do not like it and I do not think it is right. In my judgment, the best interests of the farmer and the best interest of everyone else concerned call for the allowance of 56 million acres. My reason for taking that position is that it is almost impossible to control the number of acres planted to corn.

Corn is primarily fed on the farm. Furthermore, there is hardly a farm in the United States, even in the Deep South where cotton is grown, that does not grown corn. A few minutes ago the Senator from Kentucky spoke of the river-bottom lands in Kentucky where corn is grown, and where floods are experienced in the spring—with the result that the farmers there do not know how much corn they can produce, although scarcely a farm there does not produce some corn.

The Hickenlooper amendment contains a provision that, in order to participate in the support price, a corn farmer will automatically have to reduce his acreage by 15 percent of his available acres. In my opinion, if we had proceeded on the basis of 56 million acres, we would have had almost 100 percent participation in the proposed reduction. That means that we reduced the acreage for corn, soybeans, oats, and other commodities. That was practicable; it was sensible.

Furthermore, we would be helping every small farmer in the land. When we reduce corn acreage from 56 million to 51 million acres, giving the corn producers only 81 percent of parity, we are hurting every little farmer. Go into Kentucky, Indiana, Illinois, Ohio, Mississippi, or Florida, and it will be found that they all grow a certain amount of corn. They grow at least sufficient corn to feed their animals. Here we have a situation in which, in my opinion, their acreage would be reduced by 15 percent of the tillable acres.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. RUSSELL. Does not the Senator know that this provision does not affect corn producers outside the corn-producing area? The Senator is talking about corn produced in Mississippi, Florida, and other States. Such producers are not remotely touched. They have never had any support at all. There has never been any support with respect to corn, except that accorded to the favored areas.

Mr. CAPEHART. The acreage in the commercial area would be reduced, and the farmers in the territory we are talking about could grow more corn if they desired to do so.

The PRESIDING OFFICER. The Chair reminds Senators that all time on the Hickenlooper amendment has been exhausted.

Mr. HUMPHREY. Mr. President a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Am I correct in understanding that the proposal offered by the Senator from Texas [Mr. DANIEL], on behalf of himself and other Senators, is now a part of the Hickenlooper amendment, as modified?

The PRESIDING OFFICER. That is the situation.

Mr. KNOWLAND. Mr. President, I yield 1 minute on the bill to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, I think I have a good picture of the United

States. I think I have a good picture of the corn situation. I think I have a good picture of all the little farms. I think I know exactly what happens. I think we are making a mistake in reducing the acreage allotment to 51 million. What we ought to do is to throw out all the acreage allotments and make new acreage allotments all over the United States. That is one of the weaknesses of the program at the moment. There ought to be a 100 percent new allotment of acres all over the United States, in my judgment.

I shall vote for the pending proposal, but I do not like it. I think it is a mistake.

Mr. HOLLAND. Mr. President, may I have 1 minute?

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Florida.

Mr. HOLLAND. Mr. President, I invite attention to one fact which I hope will be considered by the Senator from Iowa [Mr. HICKENLOOPER] before this question comes to a vote. While he has imposed a reduction on the corn base to 51 million acres by accepting the amendment of the Senator from Minnesota, no such limitation is imposed with respect to the acreage of the four small grain crops. Their base would be the total acreage, on an average, devoted to their production over the past 3 years. That provision certainly does not bring balance into this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER], as modified by the amendment of the Senator from Texas [Mr. DANIEL] and the modification to which the Senator from Iowa has just agreed.

The amendment, as modified, was agreed to.

Mr. KERR. Mr. President, on behalf of the Senator from Georgia [Mr. GEORGE] and myself, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. On page 4, between lines 13 and 14, it is proposed to insert the following:

PRICE SUPPORTS—HOGS, BEEF CATTLE

SEC. 106. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 204. The price of hogs and beef cattle shall be supported through loans, purchases, or other operations at (1) 75 percent of their respective parity prices, or (2) a percentage of their respective parity prices equal to the percentage of its parity price at which the price of corn is being supported, whichever is the higher."

On page 4, line 15, it is proposed to strike out "106" and insert "107"; and in line 24, strike out "107" and insert "108."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ELLENDER. Has the Senator's amendment been printed?

Mr. KERR. In answer to that question, I will say to my friend that a pre-

vious amendment had been printed. The Senator from Georgia and I had submitted an amendment with reference to supporting the price of hogs and cattle at 90 percent of parity. That amendment had been printed. It lies on the table. However, this amendment is different from the previous amendment in that this amendment provides that the price of hogs and beef cattle shall be supported, through loans, purchases, or other operations, at either 75 percent of their respective parity prices or a percentage of their respective parity prices equal to the percentage of the parity price at which the price of corn is being supported, whichever is higher—either 75 percent of parity, or the price at which corn is supported, whichever is higher. This amendment would direct the Secretary of Agriculture to support the price of hogs and cattle at that same level.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. RUSSELL. As I understand, at the time the Senator first proposed his amendment, the support level, as reported by the committee in the original bill, was 90 percent on the basics, including corn, which is a great feed grain.

Mr. KERR. The Senator is entirely correct.

Mr. RUSSELL. Since that time the Senate has stricken out the 90 percent provision, and the Senator is undertaking to bring beef and pork in line with the supports which have just been provided for the grains which must be produced to feed those animals.

Mr. KERR. Both hogs and cattle. The Senator is entirely correct.

Mr. President, I yield myself 5 minutes.

Eighty percent of the agricultural products produced from the soil reach the market in the form of livestock. Therefore, in the final analysis, the value of the corn, the value of the grain sorghums, and the value of the other feed grains which have been the subject of legislation, and with reference to which a separate program is now in the bill, are reflected in the value of beef and pork.

It so happens that the value of both beef and pork, on the basis of the current prices for hogs and cattle, is at a lower level than that of any of the grains taken care of in the amendment which the Senate has just adopted. Hogs have been selling on the open market at less than 50 percent of parity, but the Secretary of Agriculture has had in effect for some months a program which he says was for the benefit of the hog producer. He has spent on that program close to \$100 million.

A press release from the United States Department of Agriculture dated March 1 bears the following headline: "USDA Buys Record 19 Million Pounds of Pork This Week—Total Now 156 Million Pounds—Heavy Canned Pork Buying To Continue—Frozen Pork Purchases Discontinued."

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. KNOWLAND. Inasmuch as the Senator's amendment was not printed,

merely for clarification I invite attention to the amendment which the Senator previously submitted on behalf of himself and the senior Senator from Georgia [Mr. GEORGE]. It is designated "2-17-56—H."

As I understand, the pending amendment changes the 90-percent figure in the printed amendment to 75 percent. Is there any other change?

Mr. KERR. There is this change: If corn is being supported at a higher percentage than 75 percent, then that would be the percentage at which the price of hogs and cattle would be supported. As I understand the amendment which the Senate has adopted, it provides a certain percentage of support for corn this year, but that the support level for next year is undetermined by the amendment of the Senator from Iowa, which the Senate has adopted. Under my amendment, the Secretary would be directed to support the price of hogs and cattle at not less than 75 percent, but if the price of corn is being supported at a higher level, then the price of hogs and cattle would have the benefit of the same level of support.

Reading further from the release of the United States Department of Agriculture:

Purchases this week (week beginning February 27) include 10,235,550 pounds of pork and gravy at prices ranging from 68.48 to 68.50 cents per pound; 2,673,000 pounds of luncheon meat packed in 6-pound tins at 44.90 cents and 504,000 pounds packed in 12-ounce tins at 47.20 cents per pound; 2,268,000 pounds of canned hams at 66 cents per pound; 630,000 pounds of frozen hams at a range of 47.15 to 47.20 cents per pound, with one purchase of 30,000 pounds at 47.37 cents and one of 30,000 pounds at 47.67 cents because of a favorable location for distribution; 2,125,000 pounds of frozen shoulders at 32.25 to 34 cents; and 475,000 pounds of frozen loins at 47.75 to 47.76 cents per pound.

In other words, Mr. President, the Secretary has now purchased in excess of 156 million pounds of pork products.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. I yield myself 5 additional minutes.

Of that amount, a considerable percentage is canned pork gravy at a price of more than 68 cents a pound. Therefore, he has spent nearly \$100 million in a program allegedly to support the value of the price of hogs, although we know that it has not had that result.

It is the purpose of my amendment to direct the Secretary of Agriculture to support the price of hogs and cattle on a basis which will benefit the producer, not the packer.

There is not one Senator on the floor today who does not know that in the long run the price of hogs and cattle must be at a parity level equal to that of the price of feed grains, or else the producer of hogs and cattle will be paying a penalty to the producers of feed grains.

We have determined that the feed grains will be supported at a certain level. The purpose of my amendment is to direct the Secretary of Agriculture to support the price of hogs and cattle at the same level, not by buying products

from the packer in a manner which is calculated to reflect no benefit to the producers, but to handle the spending of his money for that purpose in a way which will benefit the producer, not the processor.

Therefore, in simple justice, we can do no less than to provide a support program for hogs and cattle on a level with that which we have now provided for corn and feed grains.

I said a little while ago that 80 percent of all the agricultural products of the soil find their way into the market, that the producer receives his compensation for them in the form of livestock, and that he is paid as he sells his livestock.

It is the purpose of my amendment to put the producer of hogs and cattle in an equal position with and on the same basis as we have now put the producers of corn and feed grains.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes in opposition to the amendment.

The PRESIDING OFFICER. Is the Senator from Louisiana opposed to the amendment offered by the Senator from Oklahoma?

Mr. ELLENDER. I am. I dislike to oppose my good friend from Oklahoma on his amendment. The committee has held hearings on several occasions with respect to price supports for hogs and beef cattle. During the hearings the committee recently held throughout the country, we had a few witnesses who proposed price supports on hogs and beef cattle—in fact, on all livestock, but they were in a definite minority. The great majority of our witnesses asked for assistance, but they were in agreement that price supports could not be successfully applied to livestock, since there is no feasible way to control production and since livestock products are not storable.

In 1938, when price supports for the basics were proposed, it was with the idea that if the price levels of the basics—that is, the commodities whose production could be easily controlled and could be stored—were stabilized, the producers of other commodities would also benefit.

In my humble judgment, the main reason why it is impossible to support the prices of hogs and beef cattle is that no reasonable way has been found to control production. As everyone knows, under a hog and beef price support program the production of pork and beef, unless controlled, would no doubt be increased in unprecedented amounts; it would be impossible for us to provide sufficient storage space in order to take care of the pork and beef that could be produced and which would be eligible for price support. For that reason, Mr. President, I am opposed to the pending amendment.

I realize that the hog producers as well as the cattle producers are in a sorry plight. The members of the committee, realizing that fact, have written a provision into the bill which authorizes the expenditure of additional funds to supplement section 32 funds. As Senators know, there is at the moment a sum aggregating approximately \$444 million of section 32 funds, of which 25 percent can be used to assist in stabilizing the prices

on any one commodity. By the utilization of that money, it would be entirely possible for the Secretary of Agriculture to spend up to \$111 million to purchase pork in order to alleviate the difficulties which now confront hog producers; the same amount could be used in order to alleviate the situation among cattle producers.

As we know, the Secretary of Agriculture has up to this moment set aside approximately \$80 million for the purpose of relieving the situation as to hogs.

Mr. KERR. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. KERR. Has the Senator seen the latest report of the United States Department of Agriculture regarding the purchase of pork products?

Mr. ELLENDER. I do not know that I have seen the latest report.

Mr. KERR. It is disclosed that they have bought 156 million pounds of pork products at prices which very nearly, if not entirely, exhaust the sum of which the Senator has spoken.

Mr. ELLENDER. I was coming to that in a moment, and I would indicate to my good friend that in the bill there is a provision to supplement section 32 funds.

Mr. KERR. I know that, and I have an amendment to increase the figure which is in the bill.

Mr. ELLENDER. I first proposed before the committee half a billion dollars for that purpose. So far as I am personally concerned, I still favor that amount. I do not suppose there will be too much objection on the Senate floor to that amount. But the bill now provides for an amount equal to \$250 million for the purpose of supplementing section 32 funds. The only difference is that the \$250 million can all be used for one products if the Secretary sees fit. In other words, there are no strings attached to it, as is the case with regard to regular section 32 funds.

Mr. KERR. Does not the Senator think that in using that money the Secretary should do it on a basis which will benefit the producer rather than the processor?

Mr. ELLENDER. There is no question about that.

Mr. KERR. Does the Senator think there is any chance of the Secretary doing it in the absence of direct instructions from the Congress.

Mr. ELLENDER. I would not know how to force the Secretary to do it, but I made the statement some time ago that there are many cooperative establishments scattered throughout the Nation, and it strikes me that the Secretary of Agriculture could probably buy a quantity of beef and pork from those cooperatives which, I understand, buy the products conditioned on the cooperatives having paid the producers a fair price.

It strikes me that if the Secretary wanted to assist the beef and hog producers, with the section 32 money which is now available to him, and the money we are going to make available to him under the bill, he could carry on a program which would be of great assistance to the cattle and hog producers.

Mr. CAPEHART. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. CAPEHART. How would the Secretary accomplish it, other than by buying from someone dealing in hogs? The Secretary cannot buy live hogs and let them run loose.

Mr. ELLENDER. I am of the opinion that the Secretary of Agriculture could enter into a contract with a cooperative—there are cooperatives all over this country—and could arrange to buy hogs from that plant, provided that they are bought at a certain figure, and then utilize the pork so purchased in the school-lunch program; that pork could also be sold abroad, as was done recently when quite a few million pounds of beef were sold to Israel.

Mr. CAPEHART. It seems to me that the Secretary accomplishes that purpose when he buys hogs or pork products, regardless of where he buys them.

Mr. ELLENDER. Yes; but—

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. I yield myself 5 more minutes, Mr. President.

As the program is now operating, the packer probably sells to the Government meats which he has had on hand for 6 months or possibly a year.

Mr. CAPEHART. If he does, he has to replace them with hogs bought off the farm immediately.

Mr. ELLENDER. That would relieve the situation somewhat. But the point that my good friend from Oklahoma has been making is that such purchases do not give relief to the hog or cattle grower. There are a number of cooperatives throughout the country that buy hogs from producers, and I do not see why it should not be possible for the Secretary of Agriculture to enter into a contract with cooperatives, or even with packing plants, to purchase so much beef and so much pork and pork products, provided a minimum price is paid to the farmers.

Mr. CAPEHART. I do not have any particular objection to it, but I do not see how it helps the matter to say that we will take the hogs out of this pen as against hogs out of another pen over here. They are all hogs, and the Secretary is buying them for one purpose only, namely, to reduce surplus and take them off the market and create a bigger market at the moment for hogs. I do not see how it would help very much.

Mr. ELLENDER. It would result in greater purchases of hogs, thus reducing the supply.

Mr. CAPEHART. The same purpose could be accomplished by designating in the law that the Secretary must buy from a processor hogs which have been purchased off the farm within the past 30 days. I would be in favor of that.

Mr. ELLENDER. I am sure that can be done. It would decrease the number of hogs, relieve the market and still insure that the producer will benefit.

Mr. CAPEHART. I am in favor of it if we can find some practical way to accomplish it.

Mr. ELLENDER. It is only a suggestion. I do not know whether such a program would be practical or not. But the Senator knows that in his own State there are many cooperatives which process hogs and cattle. Am I not right about that?

Mr. CAPEHART. No; I do not think they process livestock but they buy hogs and cattle from farmers. I do not think they actually process the livestock. In my opinion there is not a single cooperative livestock processor; but the cooperatives buy the livestock from the farmers and then sell it to the packers.

Mr. ELLENDER. I know there are cooperative processors in Iowa, and also in California.

It strikes me that the Secretary of Agriculture could at least get an agreement with the cooperatives or with the packers, in order to carry out a program whereby surplus meats could be removed from market channels, and also make it possible for those who own the livestock to get a better return for their product.

Mr. CAPEHART. Is the Senator trying to make it certain that the hogs which would be bought would come off the farms within a short time?

Mr. ELLENDER. That is correct.

Mr. CAPEHART. I think it might be possible to write such a provision into the bill.

Mr. ELLENDER. I do not think it should be necessary to write it into the bill, because if the Secretary wishes to carry out the proposal as we intend it, he has ample authority already to proceed along the lines we are now discussing.

The criticism which has been made of the past program—I think the Senator from Oklahoma [Mr. KERR] has criticized it, as have many other Senators—is that it has benefited the packers instead of the cattle growers and hog growers.

Mr. CAPEHART. Mr. President, the poor Secretary likewise must follow the law, which provides that he must ask for bids and buy from the lowest bidder.

Mr. ELLENDER. That could be accomplished by including in the proposals to bid the condition I have just stated, namely, that the processor must buy from the farmer and the processor must pay a fair price to the producer. The Secretary certainly could include that as a condition of a bid. I am certain that if the Secretary desired to carry out a meat-purchase program of this nature, some way could be found to assist the farmers who raise the livestock as well as those who will process them.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. I yield myself 2 additional minutes.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KERR. Is it not true that the Secretary could, under the amendment, do exactly what the Senator is suggesting he could do?

Mr. ELLENDER. Under the Senator's amendment?

Mr. KERR. Yes.

Mr. ELLENDER. Yes; it would be possible, but under the Senator's proposal it would be necessary to guarantee a fixed price, and that would have to be done not only for the hogs which were processed, but also for every head of cattle raised.

Mr. President, it has always been my judgment that any commodity whose production cannot be controlled or cannot be stored is unsuitable for a program based upon price-support loans. Such a program would be unworkable so far as this kind of commodity is concerned. The Senator knows the difficulties which have been experienced in attempting to support the price of milk and milk products by the use of Government loans and purchase agreements.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. KERR. Is there not in the bill a provision for a support price for milk and butter?

Mr. ELLENDER. Yes; and I am not too happy about it.

Mr. KERR. And cannot pork products be stored?

Mr. ELLENDER. Yes; but enough storage facilities and plants could not be built to take care of the vast quantities of beef and pork which would be produced if the door were opened to hog and cattle growers for a guaranteed price.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. I yield myself 2 more minutes.

Mr. KERR. Is there not a provision for a soil bank, so as to reduce acreage and bring about the possibility of a reduction of acreage crops?

Mr. ELLENDER. The Senator's proposal would increase the price of cattle and hogs to producers.

Mr. KERR. Would not the Senator's argument be supported by the fact that it is hoped to bring up the supply of cattle and hogs?

Mr. ELLENDER. Perhaps so, but the main purpose of the acreage reserves phase of the soil bank, and it is a short-term program, is to prevent the further growth of surpluses of the basic crops, and to reduce them. In addition, the conservation-reserve phase of the soil bank will result in curtailing acreage devoted to the other feed grains. It is my judgment that by curtailing acreage, so that feed grains may not be grown in such quantities as they are now grown, the poultrymen, cattlemen, and hog raisers will in some measure be assisted by the resulting stabilization of the livestock and poultry industry.

The adoption of an amendment such as the Senator from Oklahoma has proposed would, in my judgment, not only be very costly, but I do not think it would work.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. The Senator from Oklahoma has offered an amendment which is of concern to every Senator who represents a State where cattle and

hogs are raised. The price situation has been serious. Cattle numbers are at an all-time high. There are available 97 million hogs, which is an overabundance.

I was wondering if the amendment offered by the Senator from Oklahoma would not encourage additional production of livestock. That seems to be the problem.

Mr. ELLENDER. I think that would be the logical result. As a matter of fact, that is what I tried to bring out awhile ago. If the price-support program were extended to livestock, or if hog and cattle producers were guaranteed a certain percentage of parity, as the amendment would do, without any production controls being provided, we would soon have pork and pork products and beef and beef products running out of our eyes, ears, mouths, and noses.

Mr. CARLSON. I wondered if the chairman of the committee, or the committee itself, had given any thought to paying a bonus for marketing light-weight livestock—100-pound or 200-pound hogs. I think that would be one way to raise the poundage of livestock.

Mr. ELLENDER. It is my understanding that sometime during the consideration of this bill an amendment to that effect will be proposed. The committee considered such an amendment but found that it would involve many administrative problems, and hearings would be required to work them out. However, I understand the junior Senator from Minnesota will again propose such an amendment.

Mr. CARLSON. Am I correct in understanding that the amendment offered by the Senator from Oklahoma is not the only amendment which we shall have which will deal with livestock?

Mr. ELLENDER. The Senator is correct.

Mr. CARLSON. I thank the chairman.

Mr. ELLENDER. In fact, several such amendments already have been proposed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

Mr. AIKEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. KERR. Mr. President, I suggest the absence of a quorum; and I ask unanimous consent that the time for the quorum call not be charged to either side.

Mr. SALTONSTALL. Mr. President, will the Senator from Oklahoma repeat his request?

Mr. KERR. I ask unanimous consent that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AIKEN. Was there any decision on my request for the yeas and nays?

The PRESIDING OFFICER. There was no decision.

Mr. KERR. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Oklahoma has 50 minutes remaining.

Mr. KERR. I yield 5 minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I have spoken to the Senator from Oklahoma with reference to the amendment, which I support, but I have also suggested to him that the scope of the language in his amendment, which would provide the means to the Secretary of Agriculture to support hogs and cattle, is rather limited. I have long believed we ought to provide to the Secretary of Agriculture authority to make incentive payments to producers who market cattle and hogs at lighter-than-normal weights.

The amendment I am about to offer will be offered as an amendment to the amendment of the Senator from Oklahoma. This amendment has been discussed in the committee. As I recall, the vote in the committee was either 9 to 6 or 8 to 7 in opposition. I shall have to check the record to make sure, but it was a close vote.

As we study the so-called surplus market of hogs, we find that the problem is in the total poundage, and not just in the total numbers.

The purpose my amendment would fulfill would be to authorize the Secretary of Agriculture to utilize a payment system to farmers to market hogs when the hogs were of a light weight character. That makes for a more marketable animal, because the consumer will get a better piece of pork from a light-weight hog, just as the consumer will receive a better piece of beef from a well-fed lightweight beef.

I also believe the Secretary of Agriculture ought to have a variety of means or tools with which to work. The Senator from Oklahoma has offered an amendment which provides that the Secretary may use loans or purchases for bringing hog prices up to 75 percent of parity, or to the equivalent of the parity of corn, as I understand.

I should like to ask the Senator from Oklahoma if that is correct.

Mr. KERR. The Senator is correct; whichever is the higher.

Mr. HUMPHREY. Whichever is the higher.

The Senator from Minnesota would not disturb that parity ratio by his amendment, but would only provide to the Secretary other means of being able to arrive at that parity ratio for the market price of hogs.

I shall not go into considerable detail, but I wish only to point out that in the great State of Iowa, of all the public opinion polls that have been taken, there is one that reveals an overwhelming majority of sentiment, and that is in favor

of incentive payments on hogs. In other hog-producing States in the Union, when the question has been asked as to what kind of price-support program the farmers would like to have for hogs, they have indicated they all want incentive payments, or an incentive premium-payment program such as that suggested by the Senator from Oklahoma.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield the Senator from Minnesota an additional 5 minutes.

Mr. HUMPHREY. I should like to offer as an amendment to the amendment proposed by the Senator from Oklahoma the following language:

(a) In order to encourage the marketing of cattle and hogs at lighter than normal weights, the Secretary of Agriculture is authorized and directed, in accordance with such regulations as he may prescribe, to make incentive payments to producers who market cattle and hogs at lighter than normal weights.

(b) Such payments shall be made from funds appropriated by section 32 of Public Law 320, 74th Congress, as amended, and shall be in such amounts as may be determined by the Secretary to be necessary to carry out the purpose of this section.

I am convinced that this is a self-regulating device, because, under the limitations imposed in the amendment of the Senator from Oklahoma the incentive payments which would be utilized would be at a very basic minimum. In other words, as the price structure of hogs at the cash market value goes up the amount of incentive payments goes down.

Since the price-support level to which we are directing our attention is very modest, namely, 75 percent of parity, or the equivalent of the corn parity, whichever is the highest—in this instance it would be at a maximum of 81 percent of parity—there would not be a very large outlay for premium payments.

I wish to say to my colleagues I have figured this matter out on another proposal, which I have discussed from time to time, and I find that if we desired to remove all the surplus poundage of pork in the market at the present time, in order to get hog prices at 90 percent of parity, it could actually be done, under my proposal, for \$198 million. That is the estimate.

I wish to point out that the amount we are going to spend on purchases will be at least that amount, or substantially larger, without getting the same results. There are times when purchases could effectively be made, and the Government could step into the market when surpluses are going into the market.

The real trouble with the present purchase program is that it was delayed too long, and was entered into with timidity and a faltering spirit, and with no determination to make it work.

Mr. President, I ask unanimous consent to have printed at this point in my remarks an editorial from the St. Louis Post-Dispatch of October 26, 1955, entitled "Costly Futility in Pork."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COSTLY FUTILITY IN PORK

Secretary of Agriculture Benson is going to spend \$85 million over the next 10 months to buy pork, and the chances are that these purchases will have only the slightest effect, if any, on the price of hogs.

Why? Because Mr. Benson is using a thimble to catch a record-breaking rain. From the feedlots of the corn belt this fall the greatest volume of hogs in history is moving to the packing houses. The pork Mr. Benson will buy over 10 months represents less than one-fifth of 1 month's hog slaughter. It will account for less than 1½ percent of this year's expected pork production.

By skillful timing, Mr. Benson might be able to prevent the market from going too far below its present level. But even that is problematical, and he does not pretend to hope that he can markedly improve hog prices. For the expenditure of \$85 million of the taxpayers' money, very little is likely to be done to improve farm income.

Should Mr. Benson, then, be buying a lot more pork that he intends to buy, so as to affect the market more positively? We do not think so. If he bought much more, he would be unable to dispose of it through school lunches and relief. The surplus would have to be stored, and then pork would be on the same merry-go-round as butter and wheat, the surplus creating new problems of its own.

Mr. Benson is perfectly right in offering to buy only what can be consumed through the noncommercial channels open to him. But since that amount is a drop in the bucket, his purchase program, while politically necessary and socially justified, is likely to turn out, with respect to farm aid, to be an \$85 million exercise in futility.

It does not follow that the Government should be doing nothing at all. When pork is in surplus, buying it for consumption by schoolchildren and the needy makes sense. When hog prices drop to their present level of 65 percent of parity, the Government cannot escape a responsibility to act. But it ought to act effectively.

Can anybody any longer doubt that we need a trial run of the production payment plan on hogs? Under this plan, a direct subsidy would be paid to hog producers to cover the difference between market prices and an agreed standard. At the present market, a subsidy of 5 cents a pound would bring the producer's return to 90 percent of parity, and 3 cents a pound would bring it to 80 percent of parity. At 3 cents a pound, Mr. Benson's \$85 million would pay the subsidy on some 14 million hogs, or about one-third of the number that went to market in the first 9 months of this year.

It is impossible to know whether a subsidy of that amount would be sufficient to sustain a desirable level of farm income from hogs. Only a trial run can yield such knowledge. But as between spending \$85 million on hog purchases that can have but a negligible effect on farm income, and spending \$85 million on direct payments that go right into the farmer's pocket, surely the latter offers the taxpayer far more for his money.

Mr. HUMPHREY. Mr. President, this particular editorial points out the limitations of the purchase program as presently administered. I say that if a purchase program is to be authorized and, if need be, if a loan program is to be authorized, but, above all, if there is to be a premium incentive program for light-weight hogs and cattle, then we can do something about it; we can do something about bringing the prices of these hogs and cattle to reasonable figures. There is no area of agriculture that needs more help than this one.

I think the amendment will be self-regulating, because as prices rise, the premium payments will go down; and the full extent of the premium payments is limited by the ceiling which the Kerr amendment places—a ceiling of 75 percent of parity, or the parity for corn, whichever is higher. So we cannot be involved in any great expenditures, and we shall have the means of obtaining what we want.

Mr. CARLSON. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Minnesota yield to the Senator from Kansas?

Mr. HUMPHREY. I yield.

Mr. CARLSON. Do I correctly understand that the Senator from Minnesota is offering his amendment to the amendment of the Senator from Oklahoma [Mr. KERR]?

Mr. HUMPHREY. Yes; and I am doing it right now.

Mr. CARLSON. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. CARLSON. As I understand the Kerr amendment, it provides for 81 percent of parity, based on the present corn parity, for livestock.

Mr. HUMPHREY. That is correct.

Mr. CARLSON. Of course, everyone in the livestock-producing areas knows that livestock prices are, and have been, disastrously low. We want a program which will limit production. As I understand the amendment of the Senator from Minnesota, it will provide for earlier marketing of livestock.

Mr. HUMPHREY. That is correct. By the way, let me say that later I shall have, for discussion, a much more detailed amendment, if this one does not succeed.

But this particular amendment has within it a self-regulating mechanism. In other words, as the market prices of hogs and cattle go up, the lower will be the amount of the premium.

Mr. CARLSON. If that amendment were offered as an amendment to the amendment of the Senator from Oklahoma [Mr. KERR], would that vitiate or violate the 81 percent of parity payments?

Mr. HUMPHREY. No. My amendment would place a limitation on the amount of incentive payments; it would limit them to 81 percent of parity. When we arrived at that point, we would not use any more incentive payments as a means of price supports.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I understand that under my amendment, I have additional time.

The PRESIDING OFFICER. The Senator from Minnesota cannot offer his amendment at this time; under the practice which has been followed, when there is a limitation on the debate on a pending amendment, other amendments to it cannot be offered until the time on the original amendment has either been exhausted or relinquished. In other words,

two limitations on debate cannot be in effect at the same time.

Mr. KERR. Mr. President, I yield an additional 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I should like to ask the Presiding Officer whether it is possible, if the Senator from Oklahoma is willing to accept my amendment to his proposal, that that be done?

The PRESIDING OFFICER. The yeas and nays have been ordered on the question of agreeing to the amendment of the Senator from Oklahoma. Therefore, the Senator from Oklahoma cannot modify his amendment at this time, except by unanimous consent.

Mr. HUMPHREY. Mr. President, I wonder whether the Senator from Oklahoma will be willing to request unanimous consent for that purpose.

Mr. KERR. Yes, Mr. President; I ask unanimous consent that I may modify my amendment by accepting the amendment of the Senator from Minnesota.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I should like to have the senior Senator from Vermont [Mr. AIKEN] in the Chamber before such a modification is made. For that purpose, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Massachusetts has not been recognized for that purpose. When there is a limitation on debate, a Senator cannot suggest the absence of a quorum unless he is yielded time for that purpose.

Mr. HICKENLOOPER. Then, Mr. President, I object, although I had not necessarily intended to object.

Mr. KERR. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes, if he wishes to proceed.

Mr. HUMPHREY. Then, Mr. President, I shall offer my amendment at a later time. I thought we might save time by including it as a part of the amendment of the Senator from Oklahoma [Mr. KERR], because my amendment is germane to his amendment, and seems to fit in very nicely with it.

If the problem is to make it possible to have a quorum call at this time, I shall be glad to request unanimous consent that whatever time is available to me to be used for the purpose of having a quorum call at this time.

Mr. HICKENLOOPER. Mr. President, if we can have a quorum call at this time, I shall withdraw my objection.

Mr. KERR. Mr. President, I ask unanimous consent that there may be a quorum call at this time, without having the time required for it charged to the time available to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Mr. President, I renew my unanimous-consent request that the amendment of the Senator from Minnesota [Mr. HUMPHREY] may become a part of the pending amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLAND. Mr. President, reserving the right to object—and I shall object—I wish to make it clear why I object to this request. In every group of organized cattlemen I know anything about in the United States, from the national organization down through every State organization about which I know anything—and I do not know about all of them, but certainly including my own organization, which has gone on record very strongly on this question—there has been apprehension, during the pendency of this bill, that an effort would be made to provide price supports on livestock.

Only last week a committee from the livestock association of my State, notwithstanding the fact that they knew that my colleague [Mr. SMATHERS] and I were greatly disinclined to support any such amendment as the pending amendment, came all the way to Washington again to urge very strong opposition to such a measure as this.

I very much desire the opportunity to vote upon this proposal. If it should be defeated, as I think it should be, by a large and substantial vote, we would bring back some degree of confidence to the livestock producers, at least in my own State, and in many other States from which I have heard indirectly, that they are not in danger of being included in a price-support structure.

To complete my comment, I noted that even in the area of the country where I attended hearings last year, and where there was very strong advocacy of high price supports from many groups of producers in agriculture, exactly the opposite was true with reference to the livestock growers.

In the hearings in Minnesota, Iowa, and the two Dakotas, we were given expressions not only from livestock producers in those States, but also from the surrounding States of Montana, Nebraska, Wyoming, and perhaps other States which I do not now recall, to the effect that under no circumstances did they wish to bring upon themselves the control and the regimentation which would necessarily go with price support. I think those people are entitled to have a clear, definite expression upon an amendment of this kind, and to know what the thinking of the Senate is in this field.

Because of that feeling, I object.

Mr. KERR. Mr. President, before the Senator from Florida objects, will he permit me to say a word to him?

Mr. HOLLAND. I shall be very happy to yield to the Senator. I thought he had yielded to me.

Mr. KERR. I did not yield for the remainder of the day. I should like to

say something in response to the Senator's remarks.

Mr. HOLLAND. I shall be very happy to listen to the Senator.

Mr. KERR. The Senator from Florida is perfectly aware of the fact that upon the exhaustion of the time upon my amendment, the Senator from Minnesota [Mr. HUMPHREY] proposes to offer his amendment.

Mr. HOLLAND. Certainly. I have already voted on that amendment in committee, and I am prepared to vote on it here. I think the livestock producers are entitled to a clear-cut issue as to whether or not a general price-support structure for livestock is being seriously considered by the Senate.

Mr. KERR. I am interested in the same thing. The only effect of action upon the unanimous-consent request would be to provide an alternative method of supporting the prices. The Senator from Florida is perfectly aware that if the Senator from Minnesota and I cannot obtain a vote on his amendment at this time by unanimous consent, we can certainly do so later.

Mr. HOLLAND. The Senator is entirely correct. I shall be very happy to vote upon that amendment at the proper time. However, I think there is validity to the point which I have just made, that the Senate is entitled to have an opportunity to express itself squarely on the question of an outright program of general price supports for livestock. I think the amendment of the Senator from Oklahoma offers such an opportunity, and I wish to vote on that amendment.

The PRESIDING OFFICER. Objection is heard.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the yeas and nays upon my amendment be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLAND. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR].

Mr. HUMPHREY. Mr. President, has all time expired?

Mr. KERR. I yielded 5 minutes to the Senator a while ago.

Mr. HUMPHREY. Earlier in the day, in connection with the Hickenlooper amendment, there were modifications. All sorts of changes were made, even though the yeas and nays had been ordered on the amendment itself.

The PRESIDING OFFICER. The Chair reminds the Senator that the yeas and nays had not been ordered on the Hickenlooper amendment. Otherwise such modifications could not have been made, except by unanimous consent.

Mr. HUMPHREY. I understood that the yeas and nays had been ordered on the Daniel amendment.

The PRESIDING OFFICER. The yeas and nays were ordered on the Daniel amendment, but not on the Hickenlooper amendment.

Mr. HUMPHREY. It was the Daniel amendment which was modified; and

the yeas and nays had been ordered on it.

The PRESIDING OFFICER. It was the Hickenlooper amendment which was modified, and not the Daniel amendment.

Mr. HUMPHREY. My question is this: Once time is exhausted on the Kerr amendment, will it be possible for the Senator from Minnesota to offer his amendment?

The PRESIDING OFFICER. Yes; the Senator may offer it at that time.

Mr. HUMPHREY. Even though the yeas and nays have been ordered on the Kerr amendment?

The PRESIDING OFFICER. Yes.

Mr. HUMPHREY. If the Senator from Oklahoma will relinquish his time, I shall be happy to offer it.

Mr. MANSFIELD. Mr. President, let me say, in response to the statement of the Senator from Florida [Mr. HOLLAND], that I wish to offer an amendment calling for 85-percent price support. I should be delighted to have an opportunity to vote upon that amendment at the appropriate time.

Mr. HOLLAND. Mr. President, I am perfectly happy to have every Senator offer any amendment he desires to offer, and I shall be glad to listen courteously. However, I think I am entitled to vote upon an amendment which squarely presents the issue on a subject which has been of great concern to my people and to other people similarly situated in several other States. That will not be the case if the pending amendment is encumbered with modifications.

The PRESIDING OFFICER. The Chair will say for the benefit of Senators that any Senator who obtains recognition from the Chair may offer an amendment to the pending amendment.

Mr. KERR. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Amendments cannot be considered concurrently, but each can be considered in turn.

Mr. KERR. Mr. President, I yield back the remainder of my time.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEFAUVER. I have an amendment which I propose to offer, which would provide an incentive for the early marketing of hogs, and also, possibly, an incentive for the early marketing of beef. Would my amendment be germane as a substitute for the amendment of the Senator from Minnesota?

The PRESIDING OFFICER. The Chair cannot pass on that question until the amendment is offered. A perfecting amendment or a substitute may be offered, but the Chair cannot pass upon any such amendment until it is offered.

Mr. ELLENDER. Mr. President, I am prepared to relinquish the remaining time on our side.

Mr. HICKENLOOPER. Time is available for the opposition, is it not?

Mr. ELLENDER. How much time does the Senator desire?

— Mr. HICKENLOOPER. Five minutes.

Mr. ELLENDER. As I understand, the Senator is opposed to the amendment?

Mr. HICKENLOOPER. I am opposed to the amendment.

Mr. ELLENDER. I yield 5 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I should like to have the attention of the Senator from Oklahoma [Mr. KERR] to see whether I correctly understand his amendment.

As I understand, the Senator from Oklahoma proposes to support hog and cattle prices at a certain percentage of parity, or at a related percentage of the parity price of corn, whichever is higher. Is that correct?

Mr. KERR. The effect of the amendment would be to support the prices of hogs and cattle at not less than 75 percent of parity, but in the event the price of corn was being supported at a higher percentage of parity, that would become the level at which the prices of hogs and cattle would be supported.

Mr. HICKENLOOPER. If corn were supported at 81 percent, the prices of hogs and cattle would be supported at 81 percent.

Mr. KERR. That is correct.

Mr. HICKENLOOPER. What the amendment of the Senator from Oklahoma would bring about would be this: With corn supported at 81 percent of parity, and with hogs supported at \$17 a hundredweight, with no control at the production point, hogs would be running out of the third story of the barn. They would be live hogs, too, and there would be no place to put them all.

What the amendment of the Senator from Oklahoma would do would be to fix a ceiling price on hogs, and hogs would never break through that ceiling price, because there would be so many hogs produced that the law of supply and demand could not operate, and the Government would be looking for places to put the hogs. A price of \$17 a hundred on hogs, while not as high as the price on hogs should be, nevertheless is a profitable figure, and the farmer, instead of raising a modest number of hogs, would double or triple the number he would raise.

Believe me, Mr. President, that can be done in 10 months' time. There are big farms in this country which can turn them out faster than phonograph needles can be turned out. If we put a support price on hogs without an adequate or satisfactory method of controlling production at the bottom, that is what will happen. I want the farmer to get \$20 or \$21 or \$22. I do not want to put a lid on what he is to get.

All of us are interested in good prices for agriculture and livestock. However, what is now proposed is not the way to reach that objective. This is the way to wreck an adequate price for hogs. It is the way to wreck an adequate price for cattle. With a reasonably small but profitable price, the farmers will increase their production so that the per dollar profit on each one will eventually add up to a substantial amount.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. ELLENDER. I yield 5 additional minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I have stated the great difficulty that could be encountered if the present proposal were adopted. Furthermore, pork is not a readily storable product, except for about 6 months. With great numbers of hogs produced at a modestly profitable price, the farmer surely will be in a straitjacket so far as a better price at any time in the future is concerned.

I said a moment ago that all of us are interested in reasonable prices for agricultural products. All of us are interested in profitable prices for those engaged in agriculture, in order to keep them prosperous.

There are many people who urge a support on farm products. However, unless there is a formula for a reasonable control at the point of production, so that the supply and demand can be kept more in balance, all we would do would be to produce unmanageable surpluses, and put an absolute ceiling above which the farmer's price could not break.

For that reason I am opposed, not only to the amendment offered by the Senator from Oklahoma, but to all amendments which propose support on a cost-plus basis—although the amendments do not so state—or on a basis on which there would be a small profit. That is why I opposed amendments which would leave uncontrolled and unlimited the production end of the livestock business.

I thank the Senator from Louisiana.

SEVERAL SENATORS. Vote! Vote!

Mr. ELLENDER. Mr. President, I relinquish the remainder of my time.

The PRESIDING OFFICER. All time for debate has been relinquished. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] on which the yeas and nays have been ordered.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. Am I correct in understanding that the question before the Senate is the Kerr amendment, without any modification?

The PRESIDING OFFICER. That is the way it is at the present time.

Mr. HUMPHREY. It is possible for the Senator from Minnesota to offer his amendment as a modification of the Kerr amendment?

The PRESIDING OFFICER. All time having been yielded back, the Kerr amendment is now open to further amendment.

Mr. HUMPHREY. I therefore offer my amendment, which I send to the desk, as an amendment to the Kerr amendment.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Minnesota.

The LEGISLATIVE CLERK. At the end of the amendment offered by Mr. KERR it is proposed to insert the following:

LIGHTWEIGHT CATTLE AND HOGS

SEC. 106. (a) In order to encourage the marketing of cattle and hogs at lighter than normal weights, the Secretary of Agriculture is authorized and directed, in accordance with such regulations as he may prescribe, to make incentive payments to producers who market cattle and hogs at lighter than normal weights.

(b) Such payments shall be made from funds appropriated by section 32 of Public Law 320, 74th Congress (49 Stat. 774; 7 U. S. C. 612c), as amended, and shall be in such amounts as may be determined by the Secretary to be necessary to carry out the purpose of this section.

Mr. HUMPHREY. Mr. President, I heard the remarks of the Senator from Iowa [Mr. HICKENLOOPER] with respect to the alleged stimulation of production which supposedly would be the result of the Kerr amendment and the amendment offered by the junior Senator from Minnesota.

The fact is that a premium-payment provision for lightweight hogs and lightweight cattle is itself a self-regulating program. As the market price of hogs or cattle goes up, the amount of the premium payment goes down. Under the Kerr amendment, when the market price reaches 81 percent of parity, which is the maximum which that amendment allows, there are no more premium payments.

My amendment permits the Secretary of Agriculture to draw up whatever regulations he may deem advisable to make a premium-payment-incentive system work.

Furthermore, if there is any one thing the farmers agree on with respect to hog and cattle production, and a way and means of getting a fair price, it is through a premium-payment program.

I am rather surprised to hear the Senator from Iowa discuss the program as he does, because the Senator from Iowa knows that there is overwhelming public support in his State, as well as in the border States, for premium-payment programs. More than 70 percent of the hog producers are in favor of it.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LANGER. Is it not true that every time a hog weighing 200 pounds or 220 pounds is sold it means that that hog is taken off the market and, therefore, that much less meat is produced?

Mr. HUMPHREY. That is correct. What we are interested in is poundage. There are now about 800 million pounds of excess pork. To remove that poundage is the all-important thing.

I should like to point out that under the purchase program it would cost about \$400 million to remove 800 million pounds of pork. Under direct supports, it might cost as much as a billion dollars. Under the incentive-premium-payment program, to reduce pork going onto the market by 800 million pounds, under the proposal which I offer, with even up to 90 percent of parity, the total cost would be \$198 million.

Furthermore, the estimates are that under my incentive-premium-payment program, for the second and third years the maximum cost would not be over \$98 million.

It seems to me it is about time that Congress took cognizance of the tremendous losses to our livestock and hog producers. We have insisted that the Secretary go into a purchase program. The simple truth is that the purchase program alone is not producing the results which are desired. The Govern-

ment is going to spend millions and millions of dollars in the purchase of processed products. The trouble is that will benefit the processors rather than the producers.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes; I am glad to yield.

Mr. KERR. Is the Senator from Minnesota aware of the fact that only last week the Secretary of Agriculture bought 10,237,000 pounds of pork and pork gravy at 68½ cents a pound?

Mr. HUMPHREY. Yes; I think I am aware of it.

Mr. KERR. How many pounds of gravy does the Senator think the packer could make out of a pound of lard?

Mr. HUMPHREY. I do not know, but there seems to be more gravy in the hog-purchase program than there is pork.

Mr. KERR. And more than there are benefits to the producer.

Mr. HUMPHREY. Definitely. I placed in the RECORD figures showing the purchases by the Department of Agriculture, and indicating that each time they contracted for the purchase of excess pork products, the contract price for the processed hogs went up and the price the farmer received went down. In other words, the gap continued to widen. What the Senator from Oklahoma wants and what I want is a program which will permit the benefit to go to the producer rather than to the processor.

Mr. KERR. The Senator from Iowa [Mr. HICKENLOOPER] stated that a program for support of the price of hogs and cattle would wreck the business of hog and cattle producers, as I understood him. Is that the way the Senator from Minnesota understood him?

Mr. HUMPHREY. That is the way I understood him.

Mr. KERR. What does the Senator from Minnesota think has happened to the business of the producer of hogs and cattle under a program without any supports?

Mr. HUMPHREY. It appears to me that if there is any one group of producers in this country who have a just right to be complaining and to be critical of the present agricultural situation, it is the hog and livestock producers.

Mr. KERR. I believe the Senator from Minnesota made the statement that if the Secretary adopted this one alternative it would cost less than \$200 million to bring the price of the hogs and cattle up to the parity level authorized.

Mr. HUMPHREY. It would cost less than \$200 million to bring the price of hogs up to 90 percent of parity, I may say. The Senator's amendment, which I was privileged to modify with my proposal, asks for only 81 percent of parity.

Mr. KERR. Is the Senator aware that the Secretary of Agriculture has already spent many million dollars in the past few months in the purchase of hogs and that hogs are selling in the market for less than they were selling when the Secretary started his program?

Mr. HUMPHREY. Yes. It appears to me that the Congress has an obligation to afford the Secretary of Agriculture every possible effective means of bringing about a better market price for the livestock, cattle, and hogs. The Secretary presently can say, "Well, all I can do is purchase." I want to say to the Secretary, "We want you to have not only the right to purchase, but the right to make loans and the right to make incentive premium payments for marketing lightweight cattle and hogs."

Furthermore, a lightweight hog, for example, is a much more marketable hog. It has much better consumer acceptance.

Moreover, it encourages a finer quality of production.

I think the responsibility rests upon the Congress to give some sense of direction to the Secretary in this very important field.

Mr. KERR. Does the Senator feel that if Congress is going to permit the Secretary of Agriculture to carry out the program to support the prices of agricultural products he should be directed to do it in a way which will result in a benefit to the producer and not to the processor?

Mr. HUMPHREY. Indeed, yes.

In section 303 of the Agricultural Adjustment Act of 1938, which is still on the statute books, still in full force and effect, supposedly, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, and tobacco on the normal production of such commodities in amounts, together with the proceeds, which will make a fair return to the producer.

There is already in the law a parity-payment section which recognizes the goal of equality. What we are asking for in this particular amendment is the privilege of making parity payments for a high-grade type of beef cattle and pork products. We are saying that the Secretary should have authority to make premium payments for cattle and for hogs when they are lightweight or a weight lighter than the normal weight.

Mr. MONRONEY. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. I wish to compliment the Senator from Minnesota and the senior Senator from Oklahoma on this fine amendment.

May I ask the distinguished Senator from Minnesota, who has always tried to help the small farmer, what relationship the production of livestock bears to the overall farm income of the Nation.

Mr. HUMPHREY. It is a majority relationship, but I have forgotten the exact percentage.

Mr. KERR. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KERR. My information is, and I think it is correct, that 80 percent of the income received by farmers for products of the soil comes from the proceeds of the sale of livestock.

Mr. HUMPHREY. I understand that is the figure. I could not remember for the moment the exact figure, so all I

said was that it constitutes the majority of the agricultural income.

Mr. MONRONEY. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I am happy to yield.

Mr. MONRONEY. I agree that the figure mentioned is approximately the one I have always heard. Is it not also true that the cost of production of livestock, which, as my senior colleague has said, comprises 80 percent of the farm income, is pretty largely fixed by applying a high-level support for corn? We have placed a high-level support on small grains and for all the things the livestock producer must use in order to earn this 80 percent of the agricultural income, and it is fixed by law?

Mr. HUMPHREY. That is correct. The senior Senator from Oklahoma in his amendment recognizes the support level now established in the bill and says that there is an obligation to get livestock and hog prices up to at least 75 percent of parity.

Mr. MONRONEY. Is it not also true that even though 80 percent of the farm income is based on livestock, this bill does not do one thing for the livestock raiser, and that, instead, it rather tends to penalize the livestock raiser still further—

Mr. HUMPHREY. It is the hope that in balancing off feed grain prices it may act as a discouragement to excess production in the field of hogs and cattle. Let us face up to the fact that the sickest part of agriculture today, in terms of its economic structure, is the livestock and cattle and hog segment. What we are offering is a means and method to the Department of Agriculture to give some sensible assistance to the most important segment of our whole agricultural economy.

Mr. MONRONEY. Is it not also true that in this very bill we are providing for a set-aside of acreage and paying farmers to retire such acreage, which can be used as pasture land? It is about a 3-year cycle from row crops to good pasture. So, instead of helping the livestock farmer, we are building up a possible source of new production of livestock by paying the row-crop farmer, who also receives considerable benefit, to go into further competition and increase the number of livestock by new pastures which this bill will help to create. Yet, not \$1 of help is given the livestock farmer. He is brushed aside when he asks to come into the soil bank. We say to him, "We mean only cultivated land. We cannot consider ranch land and grass land as being eligible for this annual payment."

So, step by step the livestock raiser is being ignored and prevented from receiving any degree of Federal relief.

The distinguished senior Senator from Oklahoma proposes a 75 percent of parity purchasing program so that all the relief will not go to Armour, Wilson, and Swift, and he tries to get it down to the level of the farmers, but the proposition is opposed by Senators from livestock-producing States who think that somewhere around \$17 is too high a price. The

Government has engaged in a purchasing program, and the packers seem to be able to charge 65 or 68 cents for the processed material, but the \$17 on live cattle is too high a price support.

Mr. HUMPHREY. I thank the Senator from Oklahoma.

I think it is important to note that the request of the senior Senator from Oklahoma [Mr. KERR] in the first part of his amendment is most modest. It is exceedingly modest. It is for 75 percent of parity. Of course, that would seem like heaven to the hog farmer, who now gets 55 or 60 percent of parity.

I think it ought to be made crystal clear that the Senator from Oklahoma in his amendment is not advocating that the Government buy up every hog. What the Senator from Oklahoma is saying is that someone in the Department of Agriculture ought to use his head occasionally, to such a degree that the Department would come forth with a program which would make prices of cattle and hogs at least 75 percent of parity.

The junior Senator from Minnesota comes along and says that in order to make certain that there is some sense and direction to the ideas the Department may use, one idea we would like to present is the matter of premium payments for lightweight hogs and cattle. The premium payment program is well understood in the Department and well understood in the cattle and hog business. It is a program which has overwhelming support throughout the country.

Furthermore, if there has ever been a migration of Senators and Representatives to the White House, it has been on the hog problem. Every day I have picked up the newspapers for the last few days I have observed that delegations from Iowa, Illinois, or somewhere else have been going to the White House, hoping they would get a chance to talk about the price of hogs. But they have come back with nothing in hand. Each time, however, the delegations have returned from the White House, they have unleashed a blistering attack upon the Department of Agriculture, and they even got so courageous as to mention the name "White House" a couple of times.

What we are really trying to do is to say to the Secretary, "We have a problem, Mr. Secretary. We do not want to restrain or restrict you only to purchases. We want you to have the privilege of using loans, purchases, and premium payments as incentives for the marketing of light weight cattle and hogs."

Every Member of the Senate knows that one of the determined efforts of the livestock industry is to get the farmers to market light weight hogs and cattle. What we are saying temporarily to the Secretary is: "Here is an incentive system which you can offer to the farmers to reduce the poundage. You do not have to go around killing off little pigs or little calves. Let them be fed, so that they will become well fed, fine, finished products, at a weight, for example, on a hog of 100 or 200 pounds marketed."

When that has taken place, there will be a better product on the market. The poundage will have been reduced. The total available supply will be reduced as the poundage is reduced. The price will come up the normal market place, thereby reducing the amount of the premium payments. It is a built-in, self-regulatory device. It makes good sense. In fact, it makes mighty good sense to anyone who studies the problem. It has made good sense to the farmers of Iowa, so far as I have been able to find out, and also to the farmers of Minnesota.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. Is the purpose of the Senator's amendment to reduce the hog surplus, and thereby raise the price in the market place, and then, also, to stop at a given time in the market place?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. How many hogs would be bought under this plan?

Mr. HUMPHREY. They would not be bought.

Mr. CAPEHART. For how long would the plan be continued?

Mr. HUMPHREY. Under the plan, the hogs would not be bought at all—that is, under the Humphrey plan. The farmer would be permitted to market his own hogs wherever he has been marketing them. If the Secretary establishes a regulation that he wants 200-pound hogs, and the cash price in the market place is below 75 percent of parity or 81 percent of parity, the Secretary may offer \$1 or \$2 per hundredweight in order to get the farmer to market his lightweight hogs.

Mr. CAPEHART. The limitation is to be effective so long as hogs are below 75 percent of parity. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. Whenever the price is above that figure, the Secretary would not buy hogs?

Mr. HUMPHREY. Under the amendment, it would be 81 percent, because of the price support level on corn. There is a direct relationship between the price of hogs and the price of corn.

Mr. CAPEHART. In other words, when the parity price of hogs is 81 percent, the Secretary would no longer have to buy any hogs.

Mr. HUMPHREY. He would not.

Mr. CAPEHART. Hog raising would then be on the free market.

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. What is sought to be done is simply to try to reduce the surplus of hogs.

Mr. HUMPHREY. The poundage.

Mr. CAPEHART. That is surplus. Farmers would be paid for selling their hogs at 200 pounds instead of 220 pounds.

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. The Secretary would be paying for 20 pounds. How much does the Senator estimate it would cost to accomplish what he is seeking to do?

Mr. HUMPHREY. The farmer would be paid not to market his hogs at 220 pounds.

Mr. CAPEHART. How much does the Senator estimate the program would cost in dollars?

Mr. HUMPHREY. The estimate will drop, because the Senate rejected the 90 percent support provision; but even under the present situation, the total amount, if we had 90 percent of parity, would have been \$198 million a year. With the elimination of 90 percent of parity the amount will be reduced substantially.

For the succeeding year, if the program works as it is expected it will work—because as the weight of the hogs coming into the market place is reduced, the amount of the premium payments will be reduced—it was estimated there would be a cost to the Treasury of about \$198 million next year. But that was at 90 percent of parity.

Mr. CAPEHART. Would it be possible to eliminate the present purchasing program?

Mr. HUMPHREY. That is my idea. It would be desirable to do so. I think purchases are all right if they are made soon enough.

Mr. CAPEHART. How would the program work in the case of cattle?

Mr. HUMPHREY. It would be the same system.

Mr. CAPEHART. What would be the weight of the cattle to be marketed?

Mr. HUMPHREY. The weights would have to be determined by the Secretary.

Mr. CAPEHART. Would there be one weight for cows, one for bulls, one for steers, one for heifers, one for commercials, one for utilities, and one for primes?

Mr. HUMPHREY. That would have to be determined by the Secretary, whose expert guidance would determine the desirable weights.

Mr. CAPEHART. I can see how the program might work in the case of hogs, but I do not quite understand how it will work with respect to cattle, because a cow weighing only 800 pounds may need to be marketed. Another one may be larger, but the farmer might want to market her, after milking her for a number of years. I do not see how the proposal would be practical at all in the case of cattle—that is, with any degree of equity to the farmers themselves.

Mr. HUMPHREY. My amendment would provide that the program could apply to cattle or to hogs. Personally, my amendment in the committee related primarily to hogs.

Mr. CAPEHART. Furthermore, will not the farmer with the good cattle, or cattle which I think would come within this category, get hurt? He will get hurt on the commercial and utility grades. I think it might be possible to work out a premium for commercial and utility grades of cattle, or on culled cows, so that the farmer would not get hurt on those grades. I do not see how such a program would work on cattle, although I can see how it might well work on hogs.

Mr. HUMPHREY. I do not profess to be an expert on this subject at all. I have had persons come to me and talk primarily about hogs. I felt that a program which was designed for hogs would be workable and practical, as the Senator from Indiana feels. I felt, however, that the Secretary ought to have the

option or the right, so to speak, to design the program, if he could.

Mr. CAPEHART. I would be inclined to vote for the hog program, and I might vote for the cattle program if it were withdrawn, examined over the weekend, and proposed separately on Monday. I might favor a program with respect to cattle if I could be shown how it would be practical or possible to operate it on cattle.

Mr. HUMPHREY. If it was not practical, the Secretary would not have to adopt it.

Mr. CAPEHART. I think he would. I think if Congress passed a law relating to cattle marketing, the Secretary would have to do something about it.

I think the two provisions ought to be separated. For the life of me, I do not see how such a program will work in the case of cattle. Why not separate the hog provision from the cattle provision, submit the amendment as it relates to hogs, and then come back on Monday to see if there is a practical way to operate a program affecting cattle.

I think we will be helping the fellow who needs help the least. Those who need help on cattle at the moment are the farmers who raises utility and commercial cattle, or, in the Senator's State of Minnesota, dairy cows. How is it proposed to help the farmer particularly on dairy cattle?

Mr. HUMPHREY. It depends on whether he wants to sell them or cull them.

Mr. CAPEHART. He has to sell them. He culls them out. My best judgment is that there will not be much compliance with such a provision.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield to the Senator from North Dakota.

Mr. LANGER. I have been rather surprised to learn that the Senator from Iowa is opposed to the pending amendment, because only a few weeks ago he announced to the press that he was in favor of the Secretary of Agriculture's doing what is proposed, provided it was confined to female hogs.

Mr. HUMPHREY. He does not believe in equal rights.

Mr. LANGER. He suggested to the Iowa farmers that the Secretary of Agriculture be allowed to pay a premium on female hogs, in order to keep down production.

Mr. HUMPHREY. I wish to say to the Senator from North Dakota that there is no greater interest anywhere in what is happening to the hog producers than there is in the Midwest, particularly in Iowa and southern Minnesota.

I think the Senator from Indiana [Mr. CAPEHART] made a very fruitful suggestion a moment ago, insofar as reserving my particular amendment to hogs was concerned, and including it in the amendment of the Senator from Oklahoma, which covers both cattle and hogs.

Mr. CAPEHART. I do not see how it would work on cattle.

Mr. HUMPHREY. Mr. President, I yield 10 minutes to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I wish to join in supporting the amendment of the Senator from Minnesota. I have pending at the desk an amendment designated as 2-24-56-G, an amendment sponsored by myself, with the Senator from Montana [Mr. MURRAY], the Senator from Illinois [Mr. DOUGLAS], and the Senator from Missouri [Mr. HENNINGSEN], as cosponsors, which would establish the same program provided for in the more concise amendment of the Senator from Minnesota, covering incentive payments for early marketing or lighter weight marketing of hogs and beef.

If the amendment of the Senator from Minnesota shall be adopted, I feel that would take care of the situation, and I shall not offer the amendment on behalf of myself and the cosponsors.

Mr. President, I should like to point out that I have had an opportunity to talk with quite a number of hog and beef producers in my own State and elsewhere, and they feel that the pending amendment, which, as I have said, provides for the inauguration of the same program provided for in the amendment I had prepared, with other Senators for submission, will give some stability to the prices of pork and beef, and that, in the end, it will cost less, or not any more, than the present purchasing program, that it will eliminate the surpluses, and enable the Secretary of Agriculture to keep supply and demand in even balance.

This amendment proposes to increase the income received by cattle and hog producers, improve the quality of meat products purchased by consumers, thereby increasing consumption, and prevent wide fluctuations in supply and price such as have occurred in recent years. This proposal would accomplish its purposes without restricting livestock production and without imposing any controls or regimentation of farmers. It would require only a relatively small Government expenditure, with the maximum expenditure occurring in the present marketing year. In the ensuing years the need for Government funds would decrease. Administration costs would be at a minimum as established agencies would be utilized. There would be no enforced compliance and no policing.

To explain the operation of livestock marketing premium payments, I shall discuss their application to hog production and marketing.

During the past year hogs came to market on the average at about 240 pounds. The premium payment plan proposed would seek to attract hogs to market at 200 pounds, which would mean a cut of 40 pounds of live weight or 24 pounds of dressed pork per animal, on the average.

If every hog came to market at 200 pounds instead of 240, it would be possible to cut the total pork production by 16 percent. However, a cut of that size is not necessary.

The 1955 dressed pork production was 10.8 billion pounds, only 2 percent above the 10-year average figure. Authorities have estimated that a cut of some 800

million pounds of dressed pork would have corrected the supply situation and prevented the price break.

In 1955 we had about 74 million hogs come to market from a total pig crop of 91 million. In 1956 we will have somewhere between 75 and 77 million hogs come to market from a potential pig crop of 94 million.

The hog numbers on farms as of January 1, 1956 were about 4½ million above the same date in 1955. With plentiful supplies of cheap feed available, there is no question that price trouble will continue in the raising and handling of hogs.

The Department of Agriculture in its outlook report predicted hog prices for 1956 at just slightly under 1955. That prediction appears very optimistic at the present time.

The Secretary of Agriculture and some of his advisers intend to leave hog producers in this situation. They say that any aid would encourage overproduction. In fact, although they seem finally to be recognizing that cheap feed has resulted in cheap livestock, they seem to be bent on policies which will result in still more cheap feed and more cheap livestock.

The low prices hogs and cattle are bringing in the markets today are the direct result of the cheap-feed policies of the administration.

These prices are not due to an unmanageable supply situation in the hog industry.

Compared with the previous 10-year period, 1955 hog numbers were up 7 percent and total marketings were up 6 percent. However, because the hogs were marketed at lighter weights than in previous years, the total dressed pork production was only about 2 percent above the 10-year average.

But it does not take a large surplus of hogs or any other farm product to break the market. We have had trouble with milk for several years, with only a 6 percent surplus, and we had trouble with eggs a year ago with a 4 percent overrun.

I ask unanimous consent to insert at this point in my remarks a table showing hog cycles and price extremes.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Hog cycles and price extremes

Year	National pork production	Percent above or below normal ¹	Price extremes in cycles	
			Month	Price
	<i>Million pounds</i>			
1945.....	10.6	+1	January.....	13.80
1946.....	11.1	+4	do.....	14.10
1947.....	10.5	-1	October.....	27.10
1948.....	10.0	-4	September.....	27.40
1949.....	10.2	-3	December.....	14.80
1950.....	10.7	+1	August.....	21.70
1951.....	11.4	+7	October.....	20.20
1952.....	11.5	+8	December.....	16.10
1953.....	10.0	-4	September.....	23.80
1954.....	9.9	-6	April.....	26.50
1945-54 average.....	10.6			
1955.....	10.8	+2	December.....	10.60

¹ 10-year average.

Mr. KEFAUVER. Mr. President, this table shows the hog cycles and price extremes over the past 10 years. At no time has the production been more than 8 percent above normal nor more than 6 percent below normal. Yet the prices have swung in wide cycles below and above parity, in some cases as much as 27 percent above parity and 50 percent below parity.

These fluctuations are unnecessary and are a detriment to both the hog producer and the consuming public.

If in 1956 one-third of the 75 million hogs can be brought to market at 200 pounds instead of 240 pounds, the supply of pork can be cut back sufficiently to bring prices back to a range of 90- to 100-percent of parity.

The bill provides for premium payments of \$1 to \$3 per hundredweight to producers for marketing their hogs at the lighter weight.

The incentive payment plan would come into effect as a preventive measure at any time the pig crop was greater than the 10-year average or at any time that the farmer's price falls below 90 percent of parity. If the farmer's price is between 85 and 90 percent of parity, the premium payments would be \$1 per hundredweight. If the price were between 80 and 85 percent of parity the premium payment would be \$2. At any time the price would be below 80 percent of parity, the premium payment would be \$3 per hundredweight.

These premium payments would be sufficiently large to replace the farmer's net income from raising hogs to a heavier weight, and would therefore be large enough to attract participation by farmers.

It is a self-regulating plan which seeks to avoid surpluses rather than to try to cure them after they happen.

There are several points about this plan which it is important to emphasize:

First. It would encourage the raising and marketing of leaner, more desirable pork and thereby promote greater consumption of pork products. Pork consumption per capita in 1955 was about 66 pounds. If per capita consumption was at the 1952 rate of 71.6 pounds, that would mean a consumption gain of about 1 billion pounds of pork, or the equivalent of nearly 7 million hogs.

Second. This plan would enable farmers to keep up the hog number and the productive capacity of the hog industry. If demands were strong an increase in production could be easily made simply by putting a few extra pounds on each hog. But if the pork supply is reduced by marketing brood sows, as has been suggested, it would take a year or more to reexpand the hog population to meet the demand.

Third. This plan is a self-regulating program to aid farmers in helping themselves to keep supply in line with demand. Only the producer who cooperated in making the cutback in marketing weights would get any Government payment.

Fourth. The cost of the incentive payment plan would be moderate. In the first year, with the major adjustment to

be made, the cost would run between \$150 to \$200 million. Once the cutback had been made, the premium payment plan would act as a preventive and cost would be less than half the first-year costs. In the average year, the premium payment plan would be less costly than surplus removal operations.

It is important to point out also what the plan does not do: It avoids pegging of the market prices; it avoids reducing the national hog plant by such methods as marketing brood sows; it avoids Government processing, packing, or storing of pork products; it imposes no quota controls or regimentation upon the individual hog producer.

Of course, this hog marketing premium payment plan must be contemplated as a part of a balanced farm program with 90-percent supports at least on the corn, proportionate supports on the feed grains, and improved supports on such alternative commodities as dairy products.

As a part of a balanced program, the hog plan will not create an incentive to a great increase in the pig crop.

The limit of \$1,200 on the amount of payment for which any one farmer may qualify will also tend to discourage an overall increase in the number of hogs.

Further, the gain in per capita consumption which we can expect from a leaner pork product on the market will create a new demand.

Eventually, growers may be raising more hogs but it will be because of the new markets for better pork, not because of the incentive program.

This hog marketing premium payment plan should be put into effect at once, in order to prevent the serious price situation which is sure to prevail considering the hog numbers and the available feed supplies.

Between March 15 and August, about 25 million hogs will be coming to market. If this program could be put into effect on March 15 and if it is successful in bringing hogs to market at not more than 200 pounds, the necessary adjustment in pork supplies could be accomplished even before the fall run begins. And thereafter, the premium payment plan would be ready on a stand-by basis at any time that supplies threatened to get unduly large.

While the payment plan is brought into effect at any time when prices drop to 90 percent of parity, it is estimated that once the adjustment is made, the market price plus the premium payment will give the farmer an average return in the neighborhood of full parity.

At the minimum, the operation of this plan in 1956 would result in a gain of at least \$4 per hundredweight over the average that would prevail for the year in the open market.

Table 2 shows the probable program results in the 10 leading hog States if this plan can be put into operation at a very early date.

I ask unanimous consent that table 2 be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State	Probable marketings, 1956	Gain to farmers through increase of \$4 per hundred-weight in market prices	Hog marketing premium payments to farmers	Total gain for State
	Million head	Million dollars	Million dollars	Million dollars
Iowa.....	17.5	140	33	173
Illinois.....	9.1	72	18	90
Indiana.....	6.6	52	13	65
Minnesota.....	5.0	40	10	50
Missouri.....	5.0	40	10	50
Ohio.....	4.6	36	9	45
Nebraska.....	3.2	26	6	32
Wisconsin.....	2.5	20	4	24
South Dakota.....	1.9	15	3	18
Georgia.....	1.4	11	2	13
United States..	75.0	600	150	750

Mr. KEFAUVER. Mr. President, this table is based upon the probable marketings from the several States. Assuming, as predicted in the United States Department of Agriculture Outlook report, that hogs would average about \$15 per hundred in the open market for 1946, farmers would have an income slightly lower than in 1955 from the hog marketings. However, under the hog marketing premium payment plan, it is estimated that if one-third of the Nation's hogs were attracted to market at 200 pounds instead of 240 pounds, we would have a sufficient cutback in pork volume to bring market prices at least up to \$10 or 90 percent of parity.

In the table, column 2 shows the net gain to farmers in each State by having \$19 average prices instead of \$15 average prices. Column 3 shows the amount of premium payments going to each State assuming that such payments will be made upon about one-third of the hogs marketed.

Column 4 shows the total gains to farmers in the States through operation of the hog marketing premium payment plan in 1946 if it can be put into operation at once.

The application of this program to beef cattle marketing would operate in exactly the same manner and with the same economic effects and results. National beef production has increased from 9.4 million pounds in 1949 to 13.6 million pounds in 1955. The Department of Agriculture forecasts 1956 production at 13.6 million pounds. Cattle prices have steadily fallen.

I want to emphasize the simplicity of operation of this program. Purchasers of hogs and cattle for slaughter would supply the producer a ticket showing the number of head, weight class, and total weight. Farmers would file for their premium payments simply by submitting their sales tickets to the County ASC committees. Payment would be promptly completed. Inquiries made to marketing agencies and packer buyers indicate that they would be most cooperative in handling the sales to enable producers to qualify for the premium payments.

While the application of this simple and effective program will go far toward relieving the inequities suffered by cattle

and hog producers, it must be kept in mind that maximum benefits will be realized only within the framework of an adequate overall farm program. The key to stability in the hog and cattle industries is to establish corn at 90 to 100 percent of old parity, keep the feed grains in proper relationship, retain the corn acreage allotments, and give the corn grower who complies an opportunity to put his diverted acres into the conservation reserve at a rental rate that will fully replace his potential net income from the diverted acres.

If we will take these measures to balance the feed supplies, then the beef and pork supplies can very easily be regulated at very nominal cost under the amendment now proposed.

Mr. President, I had intended to offer the amendment, which will accomplish the same thing. The amendment sets forth in more detail how it is to be approached, and also sets out in more detail the powers of the Secretary of Agriculture. But if the amendment of the Senator from Minnesota is adopted, I shall not offer the amendment which is sponsored by the Senator from Illinois [Mr. DOUGLAS], the Senator from Missouri [Mr. HENNINGS], and myself.

Mr. President, I yield back the remainder of the time available to me.

Mr. MUNDT. Mr. President—

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. How much time remains available to the proponents of the amendment?

The PRESIDING OFFICER. The proponents of the amendment have 25 minutes remaining. The opponents of the amendment have a full hour.

Mr. MUNDT. Mr. President—

The PRESIDING OFFICER. All time is under control.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the senior Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida [Mr. HOLLAND] is recognized for 10 minutes.

Mr. HOLLAND. Mr. President, this amendment is a vastly important one when it is considered in conjunction with the amendment of the Senator from Oklahoma [Mr. KERR], to which it is attached. This amendment applies to more than one-fourth of the total agricultural dollar value of the Nation. The amendment proposes to enlarge at one fell swoop, by more than half, all the price-support programs we have ever had.

Mr. President, in order that this particular amendment may be properly considered, it is important for us to realize what the Kerr amendment provides. The Kerr amendment provides a mandatory price-support program on hogs and beef cattle, through loans, purchases, or other operations, at either of two levels: either 75 percent of parity or the current parity price for corn, whichever is higher.

In this year that would mean an 81 percent of parity program for both cattle and hogs, which would mean a price-

support program larger in size than anything of the sort we have ever before had for any one commodity, and much larger in size than anything suggested in the pending bill.

Mr. President, I have already called attention to the fact that, without exception, every livestock association about which I know anything there may be some exceptions, some from which I have not heard; but certainly I have heard from the greatest ones in the country, including the national associations and the associations in the States where I personally went for hearings, and the associations in my own State and in the other Southern States—has gone on record as not being in favor of this kind of a price-support program, and as being very strongly against it.

I have already stated for the RECORD that a committee of the livestock producers of Florida have made a request that we not allow them to become involved in any such program; and they also say that generally they are in accord with the present farm bill. The only change they request is an amendment sponsored by the two Senators from Wyoming—one of whom I see in the Chamber at this time—which will make it very certain and very sure—although I think it is already so provided—that the acreage in the soil bank shall not be grazed during the operation of the soil bank.

Mr. President, the scheme now proposed is entirely contrary to the program included in the original Kerr amendment. I wish to call attention to the fact that that is the case, and that the groups to which I have referred are asking the Congress not to include them within the terms of such a price-support program, before I proceed to a discussion of the amendment submitted by the Senator from Minnesota [Mr. HUMPHREY] to the amendment of the Senator from Oklahoma [Mr. KERR].

Mr. President, with reference to the Humphrey amendment, which now is submitted to the Kerr amendment, I wish to say that I do not think my distinguished friend from Minnesota [Mr. HUMPHREY]—and I am sorry he is not in the Chamber at this time—has carefully thought through what he has proposed to encourage the marketing of cattle and hogs at lighter than normal weights, as an addition to a mandatory price-support program for cattle and hogs. The Senator from Minnesota offered the amendment, or one like it, in the committee; and he has done that on several occasions. He did it in connection with the absence of a price-support program covering all cattle and hogs, and in the hope that by encouraging the marketing of the animals before the time when they otherwise would be marketed, that would take away from the total amount of meat being produced—both feed and hogs—so as to bring, as a result of that operation, a better end result than the one now being accomplished by the purchase programs which have been invoked. At that time he did not submit his amendment in connection with, as a part of, or as a supplement to, a general price-support program for

cattle and hogs. That is the point where the suggestion he now makes, or the amendment he now offers, becomes exceedingly inappropriate and a completely different thing from the thing which was suggested before the committee.

I do not believe the Senator from Minnesota has thought through the fact that the Kerr amendment which he now asks to have changed by the addition of his amendment—not to have his amendment substituted for it, but to have his amendment added to the Kerr amendment—already calls for a mandatory price-support program at 81 percent of parity, under present corn prices; and now the Senator from Minnesota is suggesting this purchase program at lighter than normal weights, in an effort to offer incentives to producers to market their cattle and hogs at lighter weights than otherwise they would.

Mr. President, what does that mean? It means that, as applied to the Kerr amendment, the Senator from Minnesota is suggesting that a change should be made, so as to allow the producer to get more than 81 percent of parity, and to get more when his animal is light than he would get when the animal is heavy. Under the amendment of the Senator from Minnesota, the producer would get more than 81 percent, because the 81 percent price-support program applies to the full-grown animals and to all animals that may be offered for sale. As so applied, this particular remedy, as proposed, becomes almost a humorous thing, because in effect the Senator from Minnesota is asking the Secretary of Agriculture to buy the animals when they are light, and to buy them at prices which will induce the producers not to let their hogs and cattle reach full size, at which time they would be able to obtain an 81 percent price-support for them, under the provisions of the Kerr amendment.

Mr. President, I am sorry that not more Senators are in the Chamber at this time; but I wish to make that point perfectly clear, namely, that as applied to the Kerr amendment—which is not at all designed to deal with such a situation—the amendment of the Senator from Minnesota becomes a perfectly ridiculous one, because it would empower the Secretary of Agriculture to use for such purpose as much as he might choose to use of section 32 funds, which normally the Secretary would use for the purchase of animals when they had attained their full weight. Under the proposal of the Senator from Minnesota the Secretary would use those funds for the purchase of the animals before they reached full weight, and before the time when they could be sold at 81 percent of parity-price supports. Such a program is so completely different from anything he has ever previously suggested, and is so completely different from the program which was suggested to us at numerous points during our hearings—although at that time it was always suggested as an accompaniment of a nonsupported economy in the cattle and hog market—that I think that merely to call attention to that fact

will be sufficient to show that the present proposal is thoroughly inapplicable to this situation.

Mr. YOUNG. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. YOUNG. Would both programs be mandatory?

Mr. HOLLAND. The first would be mandatory, and the second one would be discretionary.

In other words, if used, the Secretary of Agriculture would use it despite his knowledge of the fact that he is already supporting, at 81 percent of parity, the livestock—both the beef and the hogs; and he would have to offer an inducement which would justify a producer of young cattle and of pigs in bringing them into the market at prices such as to enable the return on the animals to be greater than the return on them would be if they were sold after they had been allowed to reach maturity or to reach their full weight. If they do go to market at full weight, under the first part of the Kerr amendment they will be subject to mandatory price support at 81 percent.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. I think the Senator has answered my question. I was wondering if both provisions were mandatory.

Mr. HOLLAND. The Kerr provision is mandatory, and the other provision is a simple authorization, but it becomes a nullity when applied to such a program as this. It was never designed for such a program as this. Instead, it was intended to make more perfect and effective any purchase program with public funds which the Secretary of Agriculture might put to use.

Mr. YOUNG. As the Senator knows, I voted in the committee to authorize the Secretary to take such action.

Mr. HOLLAND. I merely wished to have the Senator understand that if it were attached to this bill in its present form it would be included in a program which would become mandatory, because the Kerr amendment, to which it is sought to be attached, is a mandatory price-support structure which, this year, would be at 81 percent of parity, since that is the current price support for corn.

I note that the Senator is nodding his head. I think the distinguished Senator has seen clearly the difference between the situation in which he supported in committee a discretionary amendment as a better method of purchasing surpluses of hogs or cattle, and the present situation, in which it is sought to be attached to a mandatory price-support program.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 10 minutes to the Senator from South Dakota.

Mr. MUNDT. Mr. President, this morning I received a telegram from the president of the South Dakota Farmers' Union, Mr. Paul W. Opsahl, of Aberdeen, calling my attention to Midwest press reports dealing with a speech delivered by the distinguished Senator from Flori-

da [Mr. HOLLAND], which appears in the CONGRESSIONAL RECORD of Wednesday, beginning on page 3742. I have not seen the press release which appeared in the South Dakota newspapers, and which I presume prompted this telegram, but I gather, from the tenor of the telegram, that the reading of the news has been interpreted in a way which I feel confident the distinguished Senator from Florida did not imply.

In order to keep the record straight, and in order that the Senator from Florida may have an opportunity to make clear exactly what he did imply, I wish to take a few minutes to set the framework of the Senator's remarks which apparently gave rise to this telegram.

In the course of his remarks, on page 3743, the Senator from Florida directed his attention to an old friend of mine, a member of the South Dakota Legislature, vice president of the South Dakota Farmers Union, Mr. Harold Golseth, of Irwin, South Dakota, one of our respected and responsible farmers.

The Senator from Florida said:

I first call attention to the testimony of Harold Golseth, vice president of the South Dakota Farmers Union, Irwin, S. Dak., which appears at pages 951 and following of the printed hearings. This is part of his statement:

"We urge the enactment into law of House Resolution 12 at the earliest possible time in this next session of Congress, as a short-range policy. But as a long-range farm policy, we recommend a farm program based on 100 parity price supports for family farm or ranch production."

Mr. Golseth continues at great length to justify the case for 100 percent parity price supports. Dozens and dozens and dozens of witnesses throughout the whole area did the same thing. Their program was not confined to 100 percent price supports for the basics, but it included 100 percent price supports for all kinds of agricultural commodities, both perishable and otherwise.

Continuing on the following page, the distinguished Senator from Florida gives some additional unsolicited publicity to another constituent of mine, another able and responsible man, Mr. R. A. Englehorn, of Menno, S. Dak. The Senator from Florida says, quoting Mr. Englehorn:

We feel that American agriculture is an important and necessary segment of the total American society and is, therefore, entitled to its fair share of the national wealth, demanding that in such a society all farm operators are entitled to 100 percent of parity.

First and foremost is a Federal program operated and supervised at the grassroots level by the farmers which has for its goal 100-percent parity.

The first step in attaining that goal, we ask for 100 percent of parity support prices on nonperishable farm products and on perishable goods, where possible.

The Senator from Florida then continues to cite other testimony which was given before the committee at various times by members of the Farmers Union in North Dakota and elsewhere, including the president of the National Farmers Union.

Mr. HOLLAND. Mr. President, will the Senator yield at that point?

Mr. MUNDT. I should like to complete the framework of the picture first.

Mr. HOLLAND. I merely would like to get this clear. Is there any contention that I have misquoted any witness in any way?

Mr. MUNDT. No such contention has been made by the Senator from South Dakota up to this point, and he does not intend to make any such contention during the remainder of his remarks.

Mr. HOLLAND. I thank the Senator.

Mr. MUNDT. On page 3747 of the CONGRESSIONAL RECORD, the colloquy takes on a slightly different significance and a different connotation, however, perhaps because of the necessity of condensing a comparatively long speech into a comparatively short article. However, by juxtaposition or arrangement, it appears that an implication has crept out into South Dakota that the Senator from Florida was in one way or another attempting to identify or affiliate these gentlemen with the cause of communism.

I believe this is what gave rise to that implication. On page 3747 the Senator from Florida is reported as having said:

I have confidence that if we stand our ground and give agriculture a chance to regain the essential character of independence it has had, by tapering off some of these programs, and by giving the farmers a chance to determine what the market will take, as we do under the flexible program, we shall see speedy results and speedy resumption of sanity in agricultural thinking throughout the Nation.

We now come to the controversial point. The Senator from Florida stated:

Mr. President, there is one other thing I shall say. It is quite unpleasant for me to say it—

I might interpolate at this point to say that it was quite unpleasant also for these distinguished farmer friends of mine to read this—

but I think it should be said. Before I say it, I wish to state that I do not have the faintest idea that either the officers or the members of the National Farmers Union are Communists or communistic, or that they have the slightest idea that their program is as close to the program announced by the American Communist Party as it is.

That might come under the heading of damning with faint praise the program of the National Farmers Union.

The Senator from Florida continues:

But, Mr. President, the announced program of the American Communist Party happens to be pegged on exactly the same provision as that stated in the National Farmers Union program, and as testified to us at numerous times in our hearings, and as filed with us in resolutions, time after time, making as their first request 100 percent of parity on all agricultural commodities, whether perishable or storable.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. Is not the statement factually correct that time after time during the hearings in the National Farmers Union area the witnesses predicated their first statement of policy—and the resolutions filed did the same—on 100 percent of parity, including both perishable and nonperishable commodities? Is that not correct?

Mr. MUNDT. It is correct that some Members, speaking for the Farmers

Union, some other gentlemen speaking for the new National Farm Organization, and other farmers belonging to no farm organization, testified in favor of 100 percent of parity. It is not true, however, that that indicates any affinity or association of their thinking with what the Communist Party has advocated.

Mr. HOLLAND. I understand.

Mr. MUNDT. I now continue with what the Senator from Florida has stated in developing his thesis, be it what it may:

Now I shall quote from the pamphlet issued by the national farm commission of the Communist Party of the United States of America, 832 Broadway, New York, published last year. It gives the Communist program for agriculture. It begins on page 9. I shall not quote all of it; but in justice to the Senators who now are on the floor, I think I should read the first plank in that platform or program, which is identical with that of the National Farmers Union. I doubt if more than 1 percent of the membership and officers of the National Farmers Union know that that is the case.

"1. Halt the drop in farm prices."

Mr. President, I am fairly certain that the Senator from Florida does not intend to imply that all farmers and all Senators who would like to halt the drop in farm prices are reading anything from the Communist Party platform or following any Communist precepts.

Guarantee full 100-percent parity for all farm products.

It may be that on that point there is identity of thinking on the part of members of the farmers union and on the part of some members of the Communist Party. It is a point of view held by a great many farmers throughout America.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HUMPHREY. It should be noted that the Communists are constantly proclaiming the fact that they are in favor of peace. That does not mean that someone else, like our President, or a Member of the Senate, who says he is in favor of peace is following the Communist Party line. It just so happens that in this instance the Communist Party is playing for this program in order to entice some people into their network. I believe it is to the credit of the farmers' union that they have been able to advance a program which has been so meaningful to their people that the most diabolical force the world has ever known has tried to use it as an inducement to get people to join it.

Mr. MUNDT. It certainly does not follow that simply because the Communist Party believes in the law of gravitation, that anyone else who is subject to that law is influenced by Communist Party doctrine.

I continue to read what the Senator from Florida has quoted from the Communist pamphlet.

Mr. HOLLAND. The Communist Party platform.

Mr. MUNDT. The platform; yes.

The Senator from Florida quotes:

"Production payments should be made directly to the farmers, sharecroppers, and tenants to guarantee at least 100-percent parity on all farm commodities. Such pay-

ments would make up the difference between what the farmers get in the market and the full parity level, thereby benefiting both consumers and growers. Support levels to be announced well in advance of planting.

"To encourage small and family-type farming, payments under this program should be limited to \$15,000 worth of production per year (equivalent to 1,000 units under the Brannan program of price supports)."

Then the Senator from Florida said:

That is the second plank in the Farmers' Union program.

"Every farm would be eligible for this coverage, but large-scale farms would not take the lion's share of payments, as at present.

"Under no circumstances should small and family-sized farms be required to reduce their production."

Then the Senator from Florida continues:

Not only is the idea similar, but that program is completely identical with the key program of the National Farmers Union. The RECORD should very clearly show that such is the case, because I think there are tens of thousands of good farmers throughout the country who are supporting the leadership of the National Farmers' Union and the program announced by that organization, who have not the faintest idea that they are treading as closely as they are to the Communist line.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. Mr. President, I yield to the Senator from South Dakota such additional time as he may require.

Mr. MUNDT. I thank the Senator from Florida. We are trying to clarify a situation in the interest of both the Senator from Florida and of 2 good farmers in South Dakota and 1 of our 4 great farm organizations, the National Farmers Union.

I point out, in addition to what the Senator from Minnesota has said, another illustration of why it seems to me the references and implications and associations suggested by the Senator from Florida are totally inaccurate and unfortunate.

As a Republican, it gives me special pleasure to quote the following, because at this point in the debate yesterday the Senator from Oklahoma [Mr. MONRONEY] engaged in colloquy with the Senator from Florida. He said:

The distinguished Senator has been in this body long enough to know that about 80 percent of the progressive legislation advocated by the Democratic Party has been copied and aped by the Communist Party.

Certainly, Mr. President, no Republican would say that the Democratic Party is a Communist party or is led by Communists or has Communist leanings because of that strange affinity between the two organizations which is attributed to them by the junior Senator from Oklahoma. I am a little happy, as a Republican, that the Communists have not aped or copied the Republican platform, but that does not imply any insinuation against the Democrats.

After I read the RECORD I felt that the Senator from Florida wanted no aspersions cast against these South Dakota members of the Farmers Union as to their loyalty and patriotism. He was simply disagreeing with their policies.

I want to take this opportunity to point out that because two organizations at some times and on some issues agree, it does not mean that one is necessarily the thought-parent of the other or that they are handmaidens or associates. It is not true, I am sure, so far as the National Farmers Union is concerned, and it is not true so far as the National Democratic Party is concerned. It is not true of farm programs. It is not true of the law of gravitation. It is not true when two different organizations both are adherents to the cause of peace. It simply does not mean that these chance associations necessarily impugn the patriotism or loyalty of those so associated.

Mr. CARLSON. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. CARLSON. Mr. President, I do not like to let this opportunity pass without mentioning the splendid leadership of our Kansas Farmers' Union. I am personally acquainted with the leaders and directors. I speak of such men as Mr. Martin Byrne, president, and Mr. Fred Meek, vice president and a member of the Kansas Legislature.

These men have the leadership and background which we in Kansas have come to know and respect. They are God-fearing, loyal, and patriotic Americans.

I feel we here must exercise much care and restraint in any accusations made for fear our remarks may be misinterpreted and thus do harm to the reputation of honorable and patriotic citizens. The Kansas Farmers' Union has always been interested in behalf of all our farmers but especially the small family-size farmer.

Mr. LANGER. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. LANGER. Mr. President, I am delighted that the distinguished Senator from South Dakota has brought up this matter this afternoon. At the time when the distinguished Senator from Florida made his statement, he mentioned five distinguished North Dakota citizens. One of them was Mr. Helgi Nygaard, who, for years was president of the State Electrical Cooperative Association. He is a member of the Farmers Union.

The Senator from Florida also mentioned Glenn Talbott, who has been president for over 20 years of the North Dakota Farmers Union with a membership of 37,000 and the distinguished president of the Towner County Farmers' Union, Mr. Elinar G. Grande, also the distinguished president of the Bowman County Farmers Union, Mr. Morris Nelson, and the distinguished legislative director of the Stutsman County Farmers Union, Mr. Rudolph A. Reinhold.

In addition to that, the Senator from Florida mentioned the president of the Nelson County Farmers Union, a distinguished citizen of North Dakota.

Those gentlemen are five of the most outstanding men of our State and not one has the slightest inclination to be other than a patriotic citizen.

Mr. President, in the State of Georgia the voting age is 18 years. Some Senator mentioned the fact that that was also the voting age in Russia. The fact that there is a similar law in the State of Georgia does not mean that there is any communistic affiliation implied.

In the last election the State of Kentucky voted upon the proposition as to whether youths of 18 years of age should vote. It is my understanding that the State of Kentucky has adopted such a law. Would the Senator from Florida allege that the two are communistically inclined?

Mr. President, I, myself, time and time again upon this floor have stated that I am in favor of 100 percent of parity. I am proud of that fact. I have made that statement publicly, and thousands of persons in North Dakota believe the same thing.

I exposed Harry Dexter White upon this floor, and I have consistently voted against communism. Certainly, I cannot be charged with being sympathetic any more than any one of the 37,000 farmers in North Dakota can be charged with being sympathetic to the Communists.

Having been associated with these men for many years, I can express my opinion as to their loyalty, their integrity, and honesty and the fact that they are patriotic American citizens, and that they have done a great job for the farmers all over this Nation for the rank and file of the people. They have for years, fought a good fight for clean government, for the small-type family home, and for enough income so that the small farmers might live decently. Mr. President, I salute Jim Patton, president of the National Farmers Union and Lynn Talbot, vice president, for forthright Americanism. They are great men. I only wish we had a million more like them fighting for the interests of the common man.

Mr. MANSFIELD. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. MANSFIELD. Mr. President, I am delighted that the distinguished senior Senator from South Dakota has brought this matter to the floor of the Senate. I am sorry I was not on the floor night before last when the matter first came up, but I read it in the RECORD yesterday. While no farm officials in Montana were mentioned, other farm officials in nearby States were.

I wish the Senate to know that I think the Farmers Union in our part of the country, in the Dakotas, Wisconsin, Minnesota, and Montana, have a deep interest in the small family-type farms. They are trying to do things for the good of people who belong to their particular organization. Each year from the State of Montana alone 3 or 4 busloads of them come to find out how this Government is working. They visit the Department of Agriculture, they ask questions, and they visit their Senators and Congressmen on the Hill. I respect them as being good, upright, decent Americans, and I certainly am not in accord with any kind of implication

which would try to tie the Farmers Union to the Communist Party.

I have never seen the Communist Party's platform. I would not know where to look for it. But I have seen the Farmers Union platform. I know of their interest in good, sound farm legislation. I think they should be commended. I think they are doing a good job, and I hope they keep on doing the same kind of job in the future that they have during the years gone by. While I do not always agree with them, I respect their views and I am sure they respect mine.

Mr. CASE of South Dakota. Mr. President, will the senior Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. CASE of South Dakota. Mr. President, I think this discussion will be helpful by clearing the atmosphere. I certainly appreciate the fact that my distinguished colleague has taken occasion to point out that similarity of goals is hardly proof of an association of ideas. It is said that even the devil can quote scripture for his purposes.

I know many persons who are identified with the farmers' movement. When I was a Member of the House, I was at one time a member of the House Committee on Un-American Activities. At that particular time there was some publicity given to the suggestion that a leader of the Farmers Union had been identified in membership with a Communist-front organization. As a member of the House Committee on Un-American Activities I asked the staff at that time to dig into the matter and find out if there was any basis for the suggestion. The only thing that could be found was that at one time there was a person in northeast Ohio who had been affiliated at some time with a Communist-front organization. Other than that, nothing could be found in the files or the records of the House Committee on Un-American Activities to support the suggestion that the Farmers Union was in any sense led by persons who were members of or in any way identified with a Communist-front organization. I recall making a statement to that effect.

When it comes to personalities, Mr. President, I wish to say that I have known personally the officers of the South Dakota Farmers Union over a great many years, and I have never felt that they were in any sense Communist tainted; in fact, I recall that a couple of years ago someone pointed out that the majority of the directors of the Farmers Union were registered members of the Republican Party.

I might further state that the South Dakota state secretary of agriculture, Hon. Charles Bruett, who has been in Washington within the past week, has been a member of the Farmers Union of South Dakota. Yet he is one of the most respected secretaries of agriculture South Dakota has ever had. He understands the farmers' problems. He certainly has a deep understanding of human values in establishing a farm program which will encourage the family-

sized farmer, and help to make a sound place for young people in agriculture. I am certain the distinguished Senator from Florida meant no personal reflection upon any of those fine people in South Dakota, North Dakota, or the other States, who happen to be members of the Farmers Union.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HUMPHREY. Mr. President, I personally wish to thank the Senator from South Dakota [Mr. MUNDT] for bringing up this matter today. As the Senator from South Dakota knows, it has been my privilege to know Paul Opahl, of the South Dakota Farmers Union, as an intimate, personal friend. He has been a friend of my family for many years. Men like Paul Opahl and Emil Loriks in South Dakota are among the finest citizens ever to have graced this land. The South Dakota Farmers Union has been a bulwark of strength for all that is good for that wonderful State.

The same is true of the Farmers Union of North Dakota. I know Glenn Talbott very well, and I know the work of the Farmers Union in North Dakota. Of all the organizations in that State which have done so much for the people, none can exceed what the Farmers Union has done in North Dakota. It has answered the call of this country in peace and in war, just as it has in South Dakota.

Speaking of my own State of Minnesota, while the Senator from Florida did not refer directly to it, the Minnesota Farmers Union is under the guidance and presidency of a truly magnificent, wonderful, moral, dedicated, patriotic man—Ed Christianson.

Mr. Christianson has done much to bring the message of sound farm programs and of wholesome American democracy to the farm families. He is respected by everyone in our State for his work. He is respected by the leaders of other farm organizations.

I know the officers—everyone of them—of the Minnesota Farmers Union. If there can be found better persons, I wish someone would produce them.

The Senator from South Dakota has pointed out that sometimes there is a seeming identity of program between, let us say, an organization which is thoroughly American and thoroughly patriotic and the Communist Party. The Communist Party is always trying to latch onto something in terms of a popular issue, in order to try to exploit that issue, to gain headway with it, and to gain adherents.

I think one of the finest tributes to the Farmers Union is the fact that it has kept its ranks clean; that it has kept its leadership clean, alert, and dedicated, and has never permitted in the Dakotas or Minnesota, or wherever else I can think of, the Communist Party ever to gain a foothold. Not a Communist can be found in the Dakotas. If they are found there they are such neurotic characters that everybody around knows there is something wrong with them. The same is true in Minnesota.

I think the Farmers Union has done as much good for American agriculture as any other organization I know of, if not more. I pay tribute to them.

The fact that the Farmers Union stands for 100 percent of parity is not unusual. I heard the President of the United States stand for that. The fact that the Farmers Union stands for the same kind of treatment for perishable commodities as for cereal grains is not unusual. I heard the President stand for that in Kasson, Minn. No one can ever tell me the President of the United States is not the most loyal man who ever occupied his office. I admired him for his statement. I only wish now that he would follow the Farmers Union program and put it into effect. If he will do that, we will have the blossoms of prosperity and the good life all over the great rural areas of America.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MUNDT. I yield, but I hope the speeches will get shorter instead of longer, because I am getting a lot of frowns from my colleagues who are anxious to return to the debate on the bill. I share their desire in that connection.

Mr. YOUNG. The leaders of the Farmers Union in North Dakota have opposed me in almost every election since 1932. Right now, two of their attorneys, Chris Nathan and Quintin Burdick, are associated with one of the most untruthful, scurrilous attacks that has ever been made upon me in my political career.

I know the Farmers Union leaders very well, and none of them are associated with any Communist programs. All of them, even though some of them may be my political enemies, are good Americans.

I have lived among members of the Farmers Union all my life. I was the president of a Farmers Union local at one time. I know of no member of that association who has at any time been even remotely sympathetic to any Communist movement.

Mr. MUNDT. Supplementing what my friend, the Senator from North Dakota, has said, I have been told by a number of members of the Farmers Union, who hold positions of high responsibility, that the national association has revoked the charter of the Farmers Union in Iowa on the basis that the Iowa group was too radical and too socialistic to continue its membership. I think it is clear that, as an organization, the National Farmers Union has no affinity or association with communism.

I point out, in relationship to what my good friend from North Dakota [Mr. YOUNG] said, that I have had somewhat the same experience he has had with the Farmers Union politically. I have run against most of the officials in the South Dakota Farmers Union at different times. They have been on the other side of the political argument. They have run as Democrats. We have had good, clean campaigns. No questions involving loyalty or patriotism were ever raised.

For some reason or other, Mr. James Patton, national chairman of the

Farmers Union, usually alines himself with some Democratic organization and urges the farmers to vote Democratic, in our presidential elections.

Incidentally, I think that is a pretty good indication that there is nothing communistic about the farmers who are the rank-and-file members of the Farmers Union. One of the ways in which to identify a Communist cause is its affinity for complete leadership, always wanting to turn over to somebody on top the right to run the organization. The farmers do not do that. Despite the urging by Mr. Patton, when he gets away from farm legislation and goes into politics, the farmers of South Dakota keep on voting Republican and show their independence and dislike of outside influence.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. Mr. President, I am very glad the distinguished Senator from South Dakota has brought this matter to the attention of the Senate. I did not know that such remarks as those of the Senator from Florida had been made on the floor. Had I been present, I would have immediately challenged them, because I have many, many acquaintances in Minnesota who are members of the Farmers Union. They are among the most loyal citizens we have in Minnesota.

I know the president of the Minnesota Farmers Union, Edwin Christianson. I have not had the privilege of being acquainted with any finer citizen than he.

I have known members of the Farmers Union in South Dakota and North Dakota.

I think it unfortunate to involve an organization in such a way simply because its members may differ with my views on some legislative question. I believe we have ample room to argue and criticize and find fault legitimately without trying to imply that an organization comprised of members of family-farm units are communistically inclined. In my State there are many small family farm operators who are farming on 40- or 100-acre units. They constitute family farm operations in every sense of the word. Yet they are as loyal to their country as any Senator who stands upon this floor.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. NEUBERGER. I shall not take very much time; I simply wish to say that I am well acquainted with the Farmers Union in my State. I was born in my State. Mrs. Neuberger's family are family-size farmers, who themselves are members of the Grange, but who have many friends in the Farmers Union.

The people whom I know in the Farmers Union are mainly family-sized, dirt farmers. I have had the privilege of addressing their meetings. This week, shortly after the attack was made upon the Farmers Union on the floor of the Senate, I had breakfast in the Senate restaurant with my senior colleague and 11 members of the Farmers Union from my State, and their wives. It so happens that they are persons who are almost totally outside any farm-benefit pro-

gram. They are small farmers, who receive hardly any governmental assistance. They are persons who have been beyond the scope of any farm program, either those proposed by my party or those advanced by the other party. This, I think, is hardly fair, in view of the very extensive benefits which have gone to other farmers. Yet the members of the Farmers Union of Oregon have made no complaints. They are interested only in farm programs which are fair, and which are in the best interests of a sound agricultural economy.

I think it was significant, in view of the criticism made of the Farmers Union that several of those families had with them their young sons in the uniform of the United States Army, sons who had come from nearby military camps to be with their parents while they were in Washington.

The Farmers Union of my State is an outstanding organization. There has never been the slightest taint attached to this organization or any criticism made of it in my State, so far as any disloyalty or lack of patriotism is concerned. That is furthest from the thoughts of the public of Oregon. The president of the Farmers Union of Oregon is Mr. Harley Libby, of Jefferson, Oreg., an outstanding citizen and an outstanding farmer.

I think it is particularly significant that on the day this criticism was made of the Farmers Union I received a letter from the able editor of the Oregon Farmers Union newspaper, Mr. Arthur Bone, of Salem, Oreg., in which he adjured me to look with favor upon President Eisenhower's foreign policies.

If there is any disloyalty connected with that, I believe it is very strange. The Farmers Union is an essentially American organization.

I appreciate the fact that the Senator from South Dakota has brought up the matter, and has given some of my colleagues and myself an opportunity to attest to the patriotism, the good sense, the civic interest, the fair play, and the outstanding role as citizens and as farmers played by the members of the Farmers Union.

Mr. HUMPHREY. Mr. President, I should like to yield 5 minutes to the Senator from South Dakota.

Mr. MUNDT. I shall yield to both my colleagues on this point, but I think I should yield first to a representative of the prairies of Oklahoma before I yield to a representative of the sidewalks of New York.

Mr. KERR. Mr. President, I wish to express my appreciation to the Senator for having said what he has said about the matter on the floor of the Senate. I personally think the remarks of the Senator from Florida were not only uncalled for, but were very unfortunate. The Farmers Union has more than 50,000 members in Oklahoma. I myself am a member of that organization, and have been for 15 years. I wish to say that I favor 100 percent of parity and a farm program that protects the stability of the family-sized farm.

I notice that in one of the advertisements which the Republican National

Committee is now paying a good deal of money to run, as the first element of the so-called Eisenhower farm program, their appears the following language:

Protect family-type farms by limiting the size of price-support loans made to large corporate-type farms.

The Senator from Florida, among other things, in his remarks, said this to the Senator from Oklahoma [Mr. MONRONEY] as appears on page 3748 of the RECORD of March 7:

If the Senator wishes to say that this program, whether it be the same as that of the Communists or not, is not socialism, if he wishes to say that it is good sound Americanism, all I can say, with much respect, is that I differ completely with them.

I know of no man on this floor who is a better American citizen than is the Senator from Florida [Mr. HOLLAND], but I want to say that he is not a bit better American than the average member of the Oklahoma Farmers Union. The members of that union yield to no man anywhere in their devotion to their country and its institutions and their loyalty and their patriotism. They have great leadership not only in Oklahoma, but they have great leadership nationally.

I think Jim Patton is one of the outstanding authorities on agriculture in America. Certainly there are those who disagree with him, but I know of no man who has ever before accused him of representing a status or being in a status that is not good Americanism. I think the statement was unfortunate.

I am glad to add my words to what the Senator from South Dakota has said in paying tribute to the Farmers Union for their patriotism and devotion to basic American ideals, and to that great American institution, the family-sized farm.

Mr. MUNDT. I yield to the distinguished Senator from New York.

Mr. LEHMAN. Mr. President, I wish to say that although I realize the Farmers Union is probably more active in some of the Midwestern States than it is in New York, I have had the privilege of working closely with many of its representatives. I have gained a very high opinion of their loyalty, their vision, their soundness, and their devotion to the interests of the country.

They have fought for the interests of the farmer, but they have also realized that the interests of the farmer and the interest of the working consumer are identical. They are indivisible. What is good for one is good for the other; and if one suffers, they all suffer. If one is prosperous, then it is a pretty good bet that all will prosper.

For 2 years before I came to the Senate, I served, by appointment of the President, as a member of the Advisory Council of the Economic Cooperation Administration, under Paul Hoffman. One of the other members of the board was the president of the Farmers Union, Jim Patton. I do not think there was a more valuable man on the council than he. Throughout his service he demonstrated in every way his loyalty, patriotism, and a desire to be helpful

to the people of this country and to the people of the free world. He was a tower of strength, and I gained a great admiration for him.

I thank the Senator for the opportunity of expressing my feelings in the matter.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, I yield 5 more minutes to the Senator from South Dakota from my time remaining on the amendment.

The PRESIDING OFFICER. The Senator from Louisiana has asked that he be allowed to reserve 10 minutes of his time, and that is all the time remaining on that side.

Mr. HUMPHREY. How much time remains on this side?

The PRESIDING OFFICER. The Senator from Minnesota has 20 minutes.

Mr. HUMPHREY. I want to be able to reserve some time, and if the Senator from Florida may wish to say a few words.

Mr. HOLLAND. Mr. President, I am very sure the distinguished chairman will allow me time on the bill to make a brief reply to the kind words of our friends.

Mr. MUNDT. I yield 5 minutes to the Senator from Illinois out of my time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. The Senator from Minnesota yielded me 5 minutes, and I am yielding to the Senator from Illinois so he may ask me a question.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. DIRKSEN. In approaching the testimonial bench, I wish only to say that in the past few years I fancy that as many as 300 or 400 members of the Farmers Union have called on me, in small and in large delegations. I respect them highly. I have sometimes differed with them very sharply, but they have always been very respectful, well-demeaned, and, in my judgment, they are good citizens, who, like myself, are earnestly searching for some durable and sound solution for the farm problem. So I regard them as good, topflight, loyal, patriotic citizens.

Mr. FULBRIGHT. Mr. President, will the Senator yield me half a minute?

Mr. MUNDT. I yield to the Senator from Arkansas, but I had no idea that I would be asked to yield to so many Senators.

Mr. FULBRIGHT. I shall not delay the Senate. I know the president of the Farmers Union in Arkansas. I know the principal representatives, and I have for years. I regard them as fine citizens, who are making contributions to our efforts to find a solution to the farm problem.

Mr. KEFAUVER. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I yield.

Mr. KEFAUVER. There are not a great many members of the Farmers Union in my State, but the members of the organization in my State are among its most progressive farmers. I have had

the privilege of knowing Mr. Patton and other officers of the Farmers Union.

I happen to know that on 1 or 2 occasions when some members or groups showed extreme leanings, or were suspected of Communist leanings, the national organization either withdrew the charter or got those persons out of its organization. So I think it is a very fine farm organization.

Mr. MUNDT. Mr. President, I want to say, in conclusion, as I yield back the remainder of my time, that I took the floor simply to correct what I considered to be a false impression gathered by the people back home from what they read in the newspapers about what was said on the floor of the Senate. I did not construe those remarks to be an attack upon the patriotism of the people of my State or upon the farm organizations. But one who gives a speech cannot always control the kind of publicity which flows from the fact that two arguments are placed in juxtaposition.

I wish the RECORD to be clear, and I wish my friend, the Senator from Florida, to know that at no time did I feel that he was casting aspersions at the patriotism of the people of my State or at the members of these organizations. I also wanted the RECORD to be clear that any such aspersions would be completely unwarranted.

Mr. President, I am happy to yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. HOLLAND. Mr. President, if all my brethren who wish to perch upon the Farmers Union bandwagon have now done so, I shall now have a word or two to say. [Laughter.]

In the first place, I wish to say that the power of the press is very great, indeed, and that I am delightfully pleased that the remarks I made the other evening—although in the absence of every one of the distinguished Senators who evidently found it their duty at that time to be elsewhere than on the floor of the Senate—have reached the areas which I hoped they would reach. I hope that the Senators who have not read my remarks on that occasion will read them; and I hope they will then find themselves in 100-percent agreement with what I said.

It is obvious that very few of them have read my remarks. I congratulate my friend the Senator from South Dakota [Mr. MUNDT] for having read them, because he seems more familiar with them than are any of the other Senators who have commented.

But, first, let me say that I am distressed to hear that some of my good friends have not had the support of the Farmers Union in their previous campaigns. Several Senators have said so. I hope that situation may be corrected; and if the occasion referred to gives them a chance to reach a better understanding with that section of their constituents, no one will be better pleased than will the Senator from Florida.

Mr. YOUNG. I assure my friend that I am not apt to get their support.

Mr. HOLLAND. Mr. President, I should like to refer to one thing which the Senator from South Dakota did not reach in the course of his remarks, although I saw that he had it marked for presentation. Probably he failed to reach it because he was interrupted by so many of his distinguished colleagues. I refer to another quotation which I also placed in the RECORD—which was placed there with the same reservations which I applied to everything else I said in the course of my remarks about the fineness of the quality of the people who appeared before us, and, as we believed, who did so with complete ignorance of the fact that they were working for a program which I personally think was highly socialistic; and I said so then, and I say so now, and I shall say so at any other place or time. I do not believe they had any idea, either, although I think the publicity which since then has been given to the matter has given them a chance to get the idea now—that the program for which they were so earnestly working happens to be the program of the Communist Party.

The quotations I just mentioned that my distinguished friend, the Senator from South Dakota, did not quite reach, was a quotation from the book of directions of the Communist Party in 1954, giving its members directions as to what to do in various fields, or giving them recommendations, and containing the following statement, in particular, in reference to agricultural legislation—and this is the quotation which I am sure the Senator from South Dakota found:

We urge support for the progressive farm demands of the National Farmers Union.

Mr. President, I began my remarks on this point after having stated repeatedly, in quoting the statements made by the very fine folk who appeared before us, that they are very fine people; that they have furnished boys to the armed services, just as have the good people of every other section of the Nation; and apparently they come from sturdy stock. I also referred to the fact that many of them come, I am sure, from very fine Scandinavian stock, than which there is none better. I also said that I decried greatly, and was distressed to find the loss of independence, the loss of self-confidence, the loss of any apparent willingness to stand on their own feet and face their own problems and shape their own production of agricultural commodities in accordance with the law of supply and demand, which had developed in their particular areas, where 90 percent price supports had, I thought, done very much to undermine the morale of those very fine people.

Senators will find that in each instance, and in every word I said, I was very careful to say that I had never been more kindly treated or more generously treated by finer or better people, and that I was distressed to find the existence of a condition which I felt it was my duty to discuss on the floor of the Senate, because I think it is very much the

business of the American people to pay attention to the fact that our program has apparently been a large contributing cause to the destruction of the ruggedness and independence and fine character and fine qualities of some of the finest people we have, and has contributed to taking away from a large segment of the American people those fine qualities, for which American agriculturists have been noted throughout the history of our Nation.

The Senator from South Dakota read some of the things I said in regard to making sure that nothing that I should say would be regarded as a personal reflection. I shall read again some of those statements. I think I began by saying:

It is quite unpleasant for me to say this, but I think it should be said here. But before I say it, I wish to state that I do not have the faintest idea that either the officers or the members of the National Farmers Union are Communists or communistic.

I think that all Senators who have spoken on this matter seem to be of the same impression. However, I am glad that my statement has come to the attention of the folk in the areas concerned, because I am very glad to have them consider the fact that they are making their bed with the Communists, in this particular regard; and I am very glad to have them consider again how socialistic their program is, because I do not think they can reach any conclusion whatever other than that a program or demand for 100 percent price supports from the United States Government for every storable product and for every nonstorable product—which is what their program is—and that the program be limited to family-size farms, and be predicated on the announced intention of forcing a redistribution of the land and a redivision of the products of the soil, as stated by them over and over again, is anything but socialism pure and simple.

If any Senator wishes to differ with me on that point, that is his privilege; but, Mr. President, that is my opinion of what socialism is, and that is my opinion of the result of what had been accomplished by giving to such good people a crutch which they have used for so long that they have forgotten even how to try to stand alone. It is that situation I regret; and it is that situation I want them to consider, and that I hope they have considered. I contrasted what I found in the price-support areas with what I found in New England, in areas where not a single witness who appeared took such a position, and where every witness who appeared wanted to be allowed to solve his own problems, and stood up like a good American and said, "We are able to face our own problems and to solve them in the traditional American way."

Mr. YOUNG. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Mr. President, if the Senator from North Dakota will permit me to complete my statement, then I shall be glad to yield to him.

The PRESIDING OFFICER. The Senator from Florida has 2 minutes remaining.

Mr. HOLLAND. Mr. President, let me say that I know that the distinguished Senator from North Dakota is exactly correct in saying what he has said about the attitude of many members, at least, of the National Farmers Union toward himself. My respect for the distinguished Senator from North Dakota is as high as my respect for any person could be. I have seen him among his own people, and I have seen him here on the floor of the Senate. I have the highest respect and personal affection for him, and I think he knows that perfectly well. Not for anything would I say a word to hurt him with his people; and if I have done something here which has helped him help himself with a part of his people, that is a source of very great pleasure to me.

Mr. YOUNG. Mr. President, there are some Senators, like myself, who are a little sensitive about what the Senator from Florida said the other day—and for a very good reason: About 2 years ago, a Washington farm newsletter associated the Senator from South Dakota [Mr. MUNDT] and the Senator from Minnesota [Mr. THYE] and myself with the Communist movement because we were in favor of 90 percent price supports. I know the Senator from Florida did not mean that, at all. But, naturally, we were a little sensitive about that, when we saw that statement.

Mr. HOLLAND. I thank the Senator. I can appreciate the fact that there must have been some supersensitive souls around here, because there was nothing in what the Senator from Florida said that should hurt anyone. If it has caused the good people in the field to reexamine their position and to realize that what they have been asking the Government for, in a very demanding way, is socialism, I shall be happy.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. May I have 5 more minutes?

Mr. HUMPHREY. I yield 5 additional minutes to the Senator from Florida.

Mr. HOLLAND. With reference to the various statements made by me, let me say that I made it very clear in those remarks—and I wish to make it clear again—that I would have felt that I was derelict in my own duty to Senators, to the public, and particularly to the membership of the particular organization about which we are speaking, the National Farmers Union, if I did not call attention to what I had seen and heard with distress in the course of the hearings, from people whom I knew to be good people, as I have stated time and time again—generous people, good American people, but people who, either because of bad leadership or because of having been told for so long a time to depend on Government support and Government handouts that they have lost their own character, their own independence, and their own self-reliance; people who have drifted into a situation

in which I thought someone ought to say something to make them realize just exactly what had happened to them.

What I have said this afternoon has been said in a kindly spirit. What I said the other night was said in a kindly spirit. I was distressed that Senators were not present in greater numbers. I remained in the Chamber for 2 hours listening to the junior Senator from Minnesota [Mr. HUMPHREY] before I had an opportunity to take the floor. I do not believe any Senators who have mentioned this subject this afternoon were present on that occasion. I am sorry they were not present. My speech was not made under a bushel basket. My present speech is not so made. It is an American talk. Whether Senators like it or not, I am sure every one of them knows in his heart that there is too much softness, too much loss of morale, too much weakness and overdependence on Government. We are not happy about it. I have heard some of the Senators who have spoken this afternoon comment on that same subject.

I do not have to apologize to any Member of this body for my service to my country, either in time of peace or in time of war. The record is available to anyone. I do not have to apologize for the service of any of my sons or brothers, or any other members of my family, in every war since the Revolution. I am a good American; and as a good American, I am not going to see things like this happening to good people in our Nation and not come here and say on the floor of the Senate what I have seen in the course of the performance of senatorial duties. I would be derelict in my duty if I did not say on the floor of the Senate that this situation is wrong, and that it ought to occasion serious thought on the part of every Senator and every other American, because it involves a weakening of character and a decadence in America which causes me the utmost of concern and the greatest of distress.

In conclusion, let me say that I recant not a single word I uttered the other night. I did not hear anyone say that I misquoted anything out of the RECORD; and I did not. I did not hear anyone say that I had misstated a single thing, either from the RECORD or outside the RECORD; and I did not. I did not hear anyone say that I had made any false or unkind charge about anyone; and I did not. I was careful to call the attention of the public and of those affected to the fact that they were drifting, that the condition was not good, and that the American people ought to be concerned about it. I say it again, just as loudly as I can.

If as a result of the publicizing of those few remarks the other night among some thousands of good people they will be caused to examine their own attitudes, I shall be happy. I am sure that the great majority of the members of the organization in question are just as fine people as we have anywhere. If my remarks cause them to have occasion to reexamine their own programs, their own attitudes, their own requests, and to measure their own qualities and char-

acter against what I think is the standard American quality and character, I shall feel that my statement was very properly made and very timely made, and I shall be very happy, indeed, that it was called to their attention. I am sure that they are just as good people, just as good Americans, as any of us. I am sure they do not want to be found drifting into the spineless character which has so thoroughly manifested itself in some of these areas.

Mr. President, I yield the floor.

Mr. HUMPHREY obtained the floor.

Mr. LANGER. Mr. President, will the Senator yield to me for half a minute?

Mr. HUMPHREY. I am glad to yield to the Senator from North Dakota.

Mr. LANGER. I merely wish to say that at some future time—I hope by Monday—I shall read the record of Senators who voted on the floor of the Senate for the amendment of the Senator from Georgia [Mr. RUSSELL], providing for 100 percent parity in farm prices, so that we may find out who, in the opinion of the Senator from Florida, is a Socialist, and who is not.

I have the highest respect for the junior Senator from Georgia. I do not think there is any Member of this body who is more patriotic or honest. He offered an amendment providing for 100 percent of parity. Certainly that is not communistic. It is not socialistic. I intend to read the RECORD.

Mr. HUMPHREY. Mr. President, I appreciate the opportunity today to discuss the question which has caused some travail and concern among Members of the Senate.

Let me say most kindly that the comments which have been made in the Senate as to our concern are not nearly so important as the comments which have been made among the people as to their concern.

I constantly note in this body how much respect we have for one another. We address one another as "distinguished." We address one another as "able." We pay one another compliment after compliment. The people who deserve compliments are not confined to the membership of this body. They are the people out in the great American constituency.

I wish to say very frankly that the members of the Farmers Union are the kind of people who, year after year, have repudiated any form of socialism, any form of communism, any form of fascism, and have embraced by their labor, their love, their dedication, and their religion, the finest traditions of Americanism.

I am rather surprised to hear anyone say that if a farmer is for 100 percent of parity he is for socialism. The Dixon-Yates contract received 100 percent price support from the Government. No one accused that concern of being communistic. There was a 100-percent guaranty.

On virtually every American home, with few exceptions, there is a 90-percent guaranty. We in Congress passed housing bills to provide housing for family units, to build the family-sized home;

and the Government of the United States underwrites 90 percent of the mortgage guaranty.

If this is to be described as socialism, I think we are paying far too much tribute to the regular socialists. The best way I know of to make people join the Socialist cause is to identify what we are doing in the United States as socialism. We are trying to make the private enterprise economy work, and we are trying to make it work within the system that is ours in the United States.

The farmers of America are more dedicated to private ownership than is any other group in the country. If there is any group in the country which really represents private enterprise, it is the family-sized farm. They are not corporations. The farmers own their own land, subject to a mortgage. They believe in private enterprise so much that they pay not only the principal but the interest. They pay their taxes. They contribute to their churches. Sociological studies have proved that the family-sized unit in this country is better for the normal community than any large aggregation of land. The Senator from Florida says he deplores the attitude of those who testified for 100-percent parity. He said it contributes to taking away the independence of the people.

I remind the Senator from Florida that there are no more independent people anywhere in the world than the farmers of Minnesota.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. There are no more independent people in the world than farmers—period. They are truly independent people. The Senator from Florida said that he is worried—

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment. The Senator from Florida said he is concerned about the loss of morale and about too much softness. The farmers I know are not soft. When you shake their hand you shake a hand hard and crusty from hard work. They have soft hearts, but they have keen and alert minds. There is no lack of morale in the countryside. Let us not be worrying about their morale. Their morale is good. It is good enough so that they are willing to fight for their rights. They are fighting for justice. They are fighting for equity. They are fighting for fair play. They are fighting for recognition. I regret that this Congress is unwilling to give them equity and unwilling to give them justice and unwilling to give them fair treatment.

We give all kinds of special privileges to other groups. We give all sorts of special treatment to large financial and corporate interests. We write tax laws to take care of special interests. However, when it comes to Mr. Farmer, when he asks for a modicum of support and when he asks for help, we tell him, "This is too much."

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. We may disagree on the principle of 100 percent of parity. However, when a man asks for a 100-

percent crop loan, he must put up collateral. Maybe it is his steer or hog or crop, his grain or his corn, or his cotton, or whatever it may be. That is just as good collateral as the collateral big business puts up. In fact, it is better. One can eat that collateral. One can eat it or wear it or use it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I conclude by saying that I am distressed when I hear the insinuation or implication that there may be something wrong with the farm people in terms of their morale and their general moral tone. There is something wrong in terms of their economics; and as they fall deeper into the economic mire, of course they will ask for aid from their Government.

At one time the American countryside was threatened by communism, and that was when American agriculture was at the bottom of the pit, in 1932 and 1933. Yes; the Communist movement was making converts. There were more Communists under Herbert Hoover than at any other time in the history of the United States. The records of the FBI show that the Communist Party had its largest membership under Herbert Hoover. It has had its smallest membership in the past 10 or 15 years. The one way to keep communism from growing in this country is to let farmers and workers and businessmen go on making a good living. They are only asking for an opportunity to make a living in cooperation with their Government. This is their Government. They have a right to ask for things from their Government. The Government does not belong to us. We are the hired men and the servants of the people.

If the farmers wish to testify for 150 percent of parity, that is their privilege. Indeed it is their privilege, although we do not have to comply. Senator after Senator has proposed bills for 100 percent of parity. I voted for a bill sponsored by the Senator from Wisconsin [Mr. McCARTHY] for 100 percent of parity, for a bill introduced by the Senator from Montana [Mr. MANSFIELD] for 100 percent of parity, and for a bill sponsored by the Senator from Oklahoma [Mr. MONRONEY] for 100 percent of parity.

Some of us may say at times that that is going too far, but I point out that the administration has sponsored a program for wool, which gives wool producers 117 percent of parity. Apparently anyone who voted for that program is a Communist plus 17 percent. [Laughter.] Of course it does not mean that. It was a program which was designed to be of help to a group.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I wish to say to the Senator from Florida—so that he may know it—there is no better American than the American farmer. I believe we ought to agree that we can argue about this issue without implying that other people who disagree with us may be following some kind of pattern which is inimical to the interests of the United States.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does the Senator from Minnesota agree with me that a price-support program calling for 100 percent Government price supports on all farm products, both perishable and storable, on a family-unit basis, with the announced purpose to force thereby a redistribution of land and a division of the profits of the land, is socialism, pure and simple?

Mr. HUMPHREY. No; I do not agree with the Senator.

Mr. HOLLAND. I thank the Senator very much. We are in definite agreement.

Mr. HUMPHREY. The announced policy of the Eisenhower administration and of the Truman administration is land redistribution.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

SEVERAL SENATORS. Vote! Vote! Vote! The PRESIDING OFFICER. The question is—

Several Senators requested the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President—

The PRESIDING OFFICER. The Chair will state the question. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY]—

Mr. HUMPHREY. Mr. President, I wish first to modify my amendment on page 1, line 5, by striking out the words "and directed."

The PRESIDING OFFICER. The Senator may so modify his amendment.

Mr. HUMPHREY. Mr. President, the Senator from Tennessee [Mr. KEFAUVER] wishes to offer an addition to my amendment, which is acceptable to me. I would appreciate it if the Senator from Tennessee would state his proposed modification of my amendment.

Mr. KEFAUVER. I would add on page 2 at the end of line 2, the following:

No producer shall be eligible to receive incentive payments under this act totaling in excess of \$1,200 in any calendar year.

The PRESIDING OFFICER. The Senator from Minnesota modifies his amendment accordingly.

Mr. HUMPHREY. As I understand, the modification of the Senator from Tennessee provides a \$1,200 maximum premium payment for any one participant under the proposed price-support program.

Mr. KEFAUVER. That is correct. That is in response to the criticism made by the Senator from Florida [Mr. HOLLAND]. The language was contained in the original amendment submitted by the Senator from Minnesota and myself.

The PRESIDING OFFICER. The question is—

Mr. HUMPHREY. Mr. President, may we have the yeas and nays?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is—

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair will first put the question. The question is on agreeing to the modified amendment offered by the Senator from Minnesota [Mr. HUMPHREY] to the amendment offered by the Senator from Oklahoma [Mr. KERR]. The yeas and nays have been ordered. The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smith, Maine
Clements	Kerr	Smith, N. J.
Cotton	Knowland	Sparkman
Curtis	Kuchel	Stennis
Daniel	Langer	Symington
Dirksen	Lehman	Thurmond
Douglas	Long	Thye
Duff	Magnuson	Watkins
Dworshak	Malone	Welker
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Young
Flanders	McCarthy	
Frear	McClellan	

The PRESIDING OFFICER. A quorum is present.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. Have the yeas and nays been ordered on the Kerr amendment as well as on the Humphrey amendment to the Kerr amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. CASE of South Dakota. It is my understanding that the Kerr amendment proposes price supports for livestock, while the Humphrey amendment would authorize incentive payments for cattle and hogs at light weights.

The PRESIDING OFFICER. They will be voted upon separately.

The question is on agreeing to the modified amendment offered by the Senator from Minnesota [Mr. HUMPHREY] to the amendment of the Senator from Oklahoma [Mr. KERR], which will be stated.

The LEGISLATIVE CLERK. It is proposed to add at the end of the amendment of the Senator from Oklahoma [Mr. KERR] the following:

LIGHTWEIGHT CATTLE AND HOGS

Sec. 106. (a) In order to encourage the marketing of cattle and hogs at lighter than normal weights, the Secretary of Agriculture is authorized in accordance with such regulations as he may prescribe, to make incentive payments to producers who market cattle and hogs at lighter than normal weights.

(b) Such payments shall be made from funds appropriated by section 32 of Public Law 320, 74th Congress (49 Stat. 774; 7 U. S. C. 612c), as amended, and shall be in such amounts as may be determined by

the Secretary to be necessary to carry out the purpose of this section. No producer shall be eligible to receive incentive payments under this act totaling in excess of \$1,200 in any calendar year.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Minnesota to the amendment of the Senator from Oklahoma. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll. Mr. JOHNSON of Texas. I announce that the Senator from Florida [Mr. SMATHERS] is absent on official business.

If present and voting, the Senator from Florida [Mr. SMATHERS] would vote "nay."

The result was announced—yeas 41, nays 53, as follows:

YEAS—41

Barkley	Jackson	Mundt
Case, S. Dak.	Johnson, Tex.	Murray
Chavez	Johnston, S. C.	Neely
Clements	Kefauver	Neuberger
Douglas	Kerr	O'Mahoney
Eastland	Langer	Russell
Ervin	Lehman	Scott
Frear	Long	Sparkman
Fulbright	Magnuson	Stennis
George	Mansfield	Symington
Gore	McCarthy	Thurmond
Hennings	McNamara	Wiley
Hill	Monroney	Young
Humphrey	Morse	

NAYS—53

Aiken	Daniel	Martin, Iowa
Allott	Dirksen	Martin, Pa.
Anderson	Duff	McClellan
Barrett	Dworshak	Millikin
Beall	Ellender	Pastore
Bender	Flanders	Payne
Bennett	Goldwater	Potter
Bible	Green	Purtell
Bricker	Hayden	Robertson
Bridges	Hickenlooper	Saltonstall
Bush	Holland	Schoeppel
Butler	Hruska	Smith, Maine
Byrd	Ives	Smith, N. J.
Capehart	Jenner	Thye
Carlson	Kennedy	Watkins
Case, N. J.	Knowland	Welker
Cotton	Kuchel	Williams
Curtis	Malone	

NOT VOTING—1

Smathers

So the modified amendment offered by Mr. HUMPHREY to Mr. KERR's amendment was rejected.

The VICE PRESIDENT. The question now recurs on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR]. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from West Virginia [Mr. NEELY] and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that on this vote the Senator from West Virginia [Mr. NEELY] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Florida would vote "nay."

The result was announced—yeas 32, nays 61, as follows:

YEAS—32

Barkley	Frear	Humphrey
Chavez	Fulbright	Jackson
Clements	George	Johnson, Tex.
Douglas	Hennings	Johnston, S. C.
Ervin	Hill	Kefauver

Kerr
Langer
Lehman
Long
Magnuson
Mansfield

McNamara
Monroney
Morse
Murray
Neuberger
O'Mahoney

Russell
Scott
Sparkman
Symington
Thurmond

NAYS—61

Aiken	Duff	McClellan
Allott	Dworshak	Millikin
Anderson	Eastland	Mundt
Barrett	Ellender	Pastore
Beall	Flanders	Payne
Bender	Goldwater	Potter
Bennett	Gore	Purtell
Bible	Green	Robertson
Bricker	Hayden	Saltonstall
Bridges	Hickenlooper	Schoeppel
Bush	Holland	Smith, Maine
Butler	Hruska	Smith, N. J.
Byrd	Ives	Stennis
Capehart	Jenner	Thye
Carlson	Kennedy	Watkins
Case, N. J.	Knowland	Welker
Case, S. Dak.	Kuchel	Wiley
Cotton	Malone	Williams
Curtis	Martin, Iowa	Young
Daniel	Martin, Pa.	
Dirksen	McCarthy	

NOT VOTING—2

Neely Smathers

So Mr. KERR's amendment was rejected.

ANNOUNCEMENT BY SECRETARY OF THE INTERIOR DOUGLAS MCKAY OF HIS CANDIDACY FOR REPUBLICAN NOMINATION FOR SENATOR FROM OREGON

Mr. GOLDWATER. Mr. President, the Eisenhower administration is losing one of its most able and loyal team members. I understand that Secretary of the Interior Douglas McKay has filed today in Oregon for the Republican nomination for Senator.

During this administration, Doug McKay has been one of the stalwarts in carrying forward the President's progressive program for all of the people. Under his guidance, the Department of the Interior has achieved a remarkable record of effective public service and at the same time has accomplished striking advances in the conservation and development of our natural resources.

Doug McKay is a symbol of integrity in Government. Throughout his public service career in Oregon and on the national level, he has adhered to the principles which have made America great.

His competence is reflected in the progress made by the Department of the Interior during the past 3 years.

With his leadership, the Department was able to add acres by the tens of thousands to our wildlife refuge and management areas. The Department succeeded in unlocking millions of acres to development, thus adding to our gross national product for an expanding economy. The Department encouraged Congress to tighten up certain laws, to minimize unwise, wasteful misuse of public areas.

Doug McKay recognized the necessity for planning for the future, and acted accordingly. He gave complete support to bold planning by the National Park Service, to effect improvements in the national park system so that generations of tomorrow might still possess areas of natural scenic beauty and historic significance.

Under his guidance, the Department has encouraged partnership with State and local groups both public and private, to achieve maximum orderly development of our natural resources, consistent with sound conservation practices.

Achievements of the Department have been numerous. Not all of them have been spectacular, but everyone has contributed to our Nation's well-being through proper management of our vast natural wealth.

I ask unanimous consent that remarks which I had prepared for delivery during the morning hour, together with certain letters and editorials, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement, letters, and editorials were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

From time to time I have placed in the RECORD examples of misinformation and irresponsible journalism. The subjects and authors have varied, but recently the same general topic and author have been more and more in evidence.

The subject is the Department of Interior and the writer is Drew Pearson, who has been called a "fiction writer" by one newspaper editor in the Northwest, whose editorial I shall include in my presentation.

The articles which I will place in the RECORD today deal with two phases of Mr. Pearson's unwarranted attack on the policies of the Interior Department under this administration. The first phase deals with the completely false charges by columnist Pearson, on February 9, that Lloyd Bohlke, of Prosser, Wash., had been fired from a job with the Kennewick Irrigation District, near Yakima, by the Bureau of Reclamation under Secretary of the Interior Douglas McKay. The reason for the alleged firing was given that Mr. Bohlke had appeared on a television program and had spoken out against the policies of Secretary of Agriculture Benson.

This flat charge by Mr. Pearson was also a smear of Secretary McKay. Needless to say, subsequent inquiry proved it completely false. The facts on this, as opposed to Mr. Pearson's allegations, were placed in the RECORD of February 10 on page 2173 by Senator Watkins. I would like to add to this 2 news stories, 1 from the Columbia Basin News of February 11 and another from the Yakima Herald of February 12. Also, I would like to place in the RECORD a column by Glenn C. Lee, publisher of the Tri-City Herald, which appeared on February 24, and an editorial in the Herald on February 14, the title of which is "Fiction Writer."

The other phase of Mr. Pearson's unproven charges concerns an Oregon Democrat, Lew Wallace, of Portland, who served 3 terms as Oregon State senator and was also Democrat National Committeeman for Oregon. Senator Morse also made an insertion in the RECORD on this same subject on February 16 on page 2285.

Mr. Wallace, it will be recalled, was named by Mr. Pearson in a radio broadcast of January 21 as the author of the letter in the Al Sarena case, which Mr. Pearson charged was forwarded by President Eisenhower to Secretary McKay with a long-hand note scribbled on it. Mr. Pearson made an apology in his column of February 12, which evidently failed to satisfy Mr. Wallace.

I will let the facts speak for themselves in this matter. And to make the RECORD more complete, I would like to place in it an Associated Press dispatch of February 17 concerning Mr. Wallace's libel suit against Mr. Pearson, an editorial from the Seaside (Oreg.) Signal which aptly points out the important

question of newspaper ethics which is involved, and a news story from the February 20 Portland Oregonian.

These two phases of the unwarranted attacks on Secretary McKay and the Department of the Interior point up two things:

One is that the basis for such attacks is purely political and is not a desire for the truth.

The other is that the journalistic profession, for most of which I have always had the highest regard, should reexamine its standards to determine whether sufficient emphasis is being placed on factual reporting.

No one need fear the truth, but the American public, which has always been able to learn the facts from the press, is in danger of being seriously misled through such politically-slanted distortions and falsities.

[From the Tri-City (Wash.) Herald of February 12, 1956]

ROZA FARMER THOUGHT KID JOB HIS, BUT IT WASN'T

PROSSER.—A Roza farmer, puzzled no end by the Kennewick Irrigation District giving a job which he'd been led to believe was his to another man, was even more surprised this weekend after his name appeared in Drew Pearson's nationally syndicated column.

Lloyd Bohlke, who farms 80 acres on the Roza north of Prosser, said he didn't know where Pearson got the information that he was "fired by Reclamation Bureau officials." "After all, if I wasn't hired I couldn't be fired," Bohlke said.

KID officials and the Reclamation Bureau officials pooch-pooched the idea that Bohlke didn't get the job of KID manager because he didn't agree with the Benson farm policy. They've also labeled "untrue" the Pearson article which said Bohlke was hired, then fired, after being on a television program and expressing himself as against present administration farm programs.

Bohlke said Saturday that he had talked with KID Directors Jerome Clarke, Walter Crayne, and Orville Terrell in December about the job of KID manager, which would be vacant, with Malcolm J. Crawford accepting the job of manager of the Yakima-Tieton project. After two sessions with the board, and meeting W. K. Karrer, Kennewick division project engineer, Bohlke said he was told by the board that the manager job was his.

Clarke, present KID chairman, said Bohlke was one of several applicants for the job and that he had been told, like the others, that "after any decision of the board he would be notified."

Van E. Nutley, reclamation engineer for the Kennewick project, was given the manager job at a \$10,000 yearly salary at a special meeting of the board January 12.

Clarke said he didn't know how the mixup came about and expressed concern because the Reclamation Bureau was being unjustly blamed for something it had nothing to do with.

Bohlke, however, said the KID directors told him his application was O. K. and led him to believe that it was being checked by Reclamation officials in Boise.

Bohlke added that he had talked with Crayne since the job was given to Nutley and explained that he felt the KID board had wronged him by not doing as it had indicated it would. He added that he did not plan to contest the board's decision. He previously had made plans to dispose of his Jersey cattle and lease his farm, but at the present time he's undecided as to what he will do.

[From the Columbia Basin News of February 11, 1956]

DREW PEARSON'S STORY ON KID FIRING LABELED AS "UNTRUE"

(By Bruce W. Klipp)

Local Reclamation Bureau and Kennewick Irrigation district officials Friday labeled as

untrue a national columnist's assertion that a Prosser man hired as KID manager was fired by the Bureau after commenting about the plight of the small farmer over television.

The implication in the February 10 column of Drew Pearson, which appeared in the Seattle Post-Intelligencer, was that Lloyd Bohlke, 41, of Prosser, lost the job because he expressed his views about Agriculture Secretary Ezra Taft Benson's farm program.

BUREAU OF RECLAMATION MAN QUIZZED

Contacted in Yakima, O. W. Lindgren, superintendent of the Yakima project, of which the KID's new works comprise the Kennewick division, denied the name of the Roza farmer had ever been submitted to his office for approval as Kennewick Irrigation District manager.

"It is so false," said Lindgren of the Pearson article, "it certainly ought to be corrected."

CLARKE DENIES HIRING

Jerome Clarke, chairman of the KID board, denied that this district hired Bohlke and that he was given any more encouragement than any other applicant for the job vacated last month by Malcolm J. Crawford, now manager of the Yakima-Tieton project.

The job, at a January 12 KID special board meeting, was given to Van E. Nutley, Bureau of Reclamation field engineer for the Kennewick project. Long with the Bureau, Nutley had been working on the Kennewick project since its start and had been on the Roza project previously. His pay, which starts Monday, is \$10,000 a year.

No record of Bohlke's hiring appears in KID's minutes.

Bohlke, who farms 80 Roza acres near Grandview, had a few weeks ago complained of being informally hired by the KID board and subsequently discovering that Nutley had been given the job officially. Bohlke added that, on the strength of this informal hiring which he said occurred in Walter Crayne's greenhouse, he agreed to lease his farm out.

Walt Crayne is a KID director and had until recently been its chairman.

WILL LEASE FARM

Bohlke also said he intended to keep his word by going through with the lease and also that he didn't plan to contest his job rights with KID. He said nothing at all about Reclamation Bureau intervention leading to his alleged ouster. His salary with KID was to have been the same as Crawford's—\$7,200 a year.

KID Chairman Clarke, after reading the Drew Pearson article, admitted that the three KID directors interviewed Bohlke twice—once at the district's downtown office and once at Walt's greenhouse.

At that time, Clarke said, he was asked to take Bohlke down to the local Reclamation Bureau office in the KID building in Kennewick and introduce him to W. K. Karrer, project engineer for the Kennewick division.

NOT ENCOURAGED

"A few questions were asked by Mr. Karrer and that was about all it amounted to," said Clarke of Bohlke's interview with that Bureau official. "Gosh, no," replied Clarke when asked whether KID directors gave Bohlke any encouragement about his acceptability as KID manager. "I do not know where he got the idea."

Clarke showed a copy of the district's repayment contract with the Bureau. It provides that until the Federal Government's works are paid off in full by the water users, the Bureau must approve of a manager.

It sets out that the person hired must be a competent irrigation engineer with at least 3 years' experience in the operation of works similar to the works the Government

this position in an outstanding manner. His determination to serve all of the people affected by his Department with fairness and justice has been evident in his every action as Secretary.

Doug McKay's unswerving devotion to his job stands as a guidepost in public-service history. This dedication to the public good has been demonstrated again and again during his years in public office—as mayor of his hometown of Salem, Oreg., as a State senator in the Oregon Legislature, as Governor, and as Secretary of the Interior.

Since he has been Secretary, Doug McKay's Department has made rapid progress in every field of activity in which it is engaged. The Department has effected numerous improvements in operating procedures, all designed to serve the public efficiently and effectively, and at minimum cost to the taxpayers.

The integrity of public lands set aside for parks, monuments, wildlife refuges and similar areas has been preserved and strengthened under Doug McKay's guidance and leadership. He has stood firm against undue encroachment upon these areas, and with his encouragement the Department has moved to improve them.

An outstanding and recent example is his all-out support of Mission 66, a National Park Service program to develop a vastly improved national park system to accommodate the anticipated public use of the areas in the next decade.

Under Doug McKay's leadership, his Department has fulfilled its responsibilities admirably in the field of defense mobilization, and has performed with equal merit in resource management areas.

Despite persistent criticism—all of it very unjust—of his administration of the Department, Doug McKay has not deviated from his course in serving the American people equitably and fairly. He never has neglected the public interest in any of his actions.

His critics have dubbed him "Generous Doug" McKay. They are quite correct—but not in their derogatory sense of the word. Doug McKay has been very generous with his time and talents, in the service of the people of Oregon and the United States. I am certain that he will continue to be in the future.

I am sorry that we are losing him as Secretary of the Interior, but take comfort in the probability that he will return to Washington to serve as United States Senator for Oregon.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. MAGNUSON. Inasmuch as announcements are in order, I wish to announce, in case our colleagues in the Senate are not conscious of the fact, that the distinguished and able Senator from Oregon [Mr. MORSE] has also filed for United States Senator from Oregon.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. GEORGE. Mr. President, I call up my amendments identified as "2-27-56—E."

The VICE PRESIDENT. The clerk will state the amendments offered by the Senator from Georgia.

The LEGISLATIVE CLERK. It is proposed, on page 7, line 9, after the word "corn", to insert the word "peanuts."

On page 8, line 24, after the word "corn", to insert the word "peanuts."

On page 11, line 8, after the word "corn", to insert the word "peanuts."

Mr. GEORGE. Mr. President, I do not think the amendments will occasion any debate or opposition. All they do is permit the farmer who produces peanuts to relinquish or release to the soil bank so much of his land allocated to him for peanuts as he may elect to do.

I have talked with the chairman of the committee, and he and other members of the committee advised me that there would be no real opposition to the amendments; that the provision was left out of the bill originally because it was not believed that many acres of peanut land would be allocated to the soil bank or would be released to the soil bank.

That may be true, but it is possible that some acreage may be released, because peanuts are a very soil-exhausting crop, and in the soil areas that are adapted to peanuts, timber will grow rather rapidly. It would be in the interest of many of our farmers to put some of their allocated peanut land into the soil bank, if they wish to do so.

That is all the amendments undertake to do. The proposal simply gives to the peanut growers the right to release their land to the soil bank, just as in the case of cotton, wheat, and other crops.

The VICE PRESIDENT. The question is on agreeing to the amendments of the Senator from Georgia [Mr. GEORGE].

Mr. ELLENDER. Mr. President, I have discussed the matter with several members of the committee. There is no objection to the amendments proposed by the distinguished Senator from Georgia.

The VICE PRESIDENT. Does the Senator from Louisiana yield back his remaining time?

Mr. ELLENDER. I do.

Mr. GEORGE. Mr. President, I yield back all time remaining to me.

The VICE PRESIDENT. The question is on agreeing to the amendments offered by the Senator from Georgia.

The amendments were agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. BARRETT. Mr. President, I call up for consideration my two amendments, identified as 3-6-56-A and 3-6-56-B.

I ask unanimous consent that the amendments, as modified, be considered en bloc.

The VICE PRESIDENT. The Senator requests that the amendments be considered en bloc.

Is there objection? Without objection, the amendments will be considered en bloc.

The clerk will state the first amendment.

The LEGISLATIVE CLERK. On page 8, at the end of line 9, it is proposed to insert the following:

Before any producer is entitled to receive any compensation for participating in the acreage-reserve program, he must first enter into a contract with the Secretary, which contract shall, in addition to such other conditions as may be prescribed by the Secretary, contain provisions by the terms of which such producer shall agree:

(b) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to further payments or grants under the contract, to refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and to forfeit all, none, or such part of such price-support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and to refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violations occurred, as the Secretary may determine to be appropriate.

(c) In the event that the Secretary determines that for any year there has been a violation of the contract but that such violation is of such a nature as not to require or warrant termination of the contract, to accept such payment adjustments and forfeit such benefits under the contract and under the price-support provisions of the Agricultural Act of 1949, as amended, and to make such refunds to the United States of payments and benefits already received by him during such year under the contract and under said act, as the Secretary may determine to be appropriate.

Mr. BARRETT. Mr. President, I ask unanimous consent that the reading of my amendment, identified as 3-6-56-B, be dispensed with. I may say that the amendments are identical in language. One applies to the reserve acre section and the other to the conservation acre provisions.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The amendment will be printed in the RECORD at the conclusion of the remarks of the Senator from Wyoming.

Mr. BARRETT. Mr. President, I appeared before the committee during the hearings on this bill. I urged then that strong penalties be provided to prohibit grazing on the diverted acres under the soil bank section. Everyone agrees that nothing should be done by this legislation to make worse the situation presently confronting the cattlemen of this country. Our cattle population reached an all-time high of 97½ million as of January 1 last. It increased over 9 million head in the last 4 years. During that same period of time the total value of all cattle declined from \$15 billion to \$8 billion. The average value of cattle declined from \$179 per head in 1952 to \$88 per head on January 1, 1956. It is obvious that we would be in a terrible situation today were it not for the fact that the consumption of beef has increased from 61 pounds per person per year in 1952 to 82 pounds last year.

It is estimated, Mr. President, that the 40 or 50 million acres in the soil bank could support an additional 15 million cows.

For that reason, Mr. President, we are simply asking here that the language in this bill make it clear beyond question that on both the reserve and the conservation acres of the soil bank that if the Secretary finds that the producer has substantially violated the contract and grazed the land that then the Secretary is authorized to withhold all benefits under the soil-bank provisions and, in addition, all, none, or part of the support-price benefits due the producer that year. In the event the Secretary determines the violation is of such a nature as not to warrant a termination of the contract he is authorized to impose lesser penalties.

I offered these amendments, Mr. President, in behalf of myself, my colleague the junior Senator from Wyoming [Mr. O'MAHONEY] and the following Senators: Mr. ALLOTT, Mr. BENNETT, Mr. BIBLE, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DANIEL, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HRUSKA, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MURRAY, Mr. WATKINS, and Mr. WELKER.

The second amendment offered by Mr. BARRETT, for himself and other Senators, is as follows:

On page 13, strike out lines 10 to 19, inclusive, and insert in lieu thereof the following:

"(6) (a) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to further payments or grants under the contract, to refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and to forfeit all, none, or such part of such price-support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and to refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate.

"(b) In the event that the Secretary determines that for any year there has been a violation of the contract but that such violation is of such a nature as not to require or warrant termination of the contract, to accept such payment adjustments and forfeit such benefits under the contract and under the price-support provisions of the Agricultural Act of 1949, as amended, and to make such refunds to the United States of payments and benefits already received by him during such year under the contract and under said act, as the Secretary may determine to be appropriate."

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. AIKEN. I wish to say these two amendments were intended to strengthen provisions which are already in the bill. So far as I am concerned, there is no objection to them.

Mr. BARRETT. The Senator is correct. I may say, however, that no penalty is provided under the reserve-acre

section of the bill and the penalties under the conservation section are in the alternative, and, consequently, we believe they should be strengthened in both particulars.

Mr. ELLENDER. Mr. President, I desire to concur in the statement of the Senator from Vermont. The amendments simply expand on the language we now have in the bill.

Mr. President, the amendment marked "A," as modified, requires persons participating in the acreage-reserve program to enter into contracts containing such provisions as may be prescribed by the Secretary. The amendment requires that such contracts contain provisions prescribing penalties for violations thereof.

These penalties, where violations are such as to warrant termination of the contract, would consist of forfeiture of rights to receive further acreage-reserve payments and such future price-support benefits as the Secretary may deem appropriate, and the requirement that the producer refund such acreage-reserve and price-support benefits already received during the year in which the violation occurred, as the Secretary deems appropriate. Where the violation was not such as would warrant termination, the penalties would consist of such adjustment or forfeiture of future acreage-reserve and price-support benefits, and such refunds of acreage-reserve and price-support benefits already received for the year in which the violation occurred, as the Secretary determines to be appropriate.

The amendment marked "B," as modified, requires that contracts entered into under the conservation-reserve provisions of the bill contain provisions prescribing penalties for violations of such contracts.

These penalties, where violations are such as to warrant termination of the contract, would consist of forfeiture of rights to receive further conservation-reserve payments, forfeiture of such price-support benefits to which the producer might be entitled for the year in which the violation occurred as the Secretary deems appropriate, and the requirement that the producer refund such conservation-reserve and price-support benefits already received during such year as the Secretary deems appropriate. Where the violation was not such as would warrant termination, the penalties would consist of such adjustment or forfeiture of future conservation-reserve and price-support benefits, and such refunds of conservation-reserve and price-support benefits already received for the year in which the violation occurred, as the Secretary determines to be appropriate.

Mr. President, I have no objection to the amendments.

The VICE PRESIDENT. Do the Senators in charge of the time on the amendments yield back the remainder of the time?

Mr. BARRETT. I yield back the remainder of my time.

Mr. ELLENDER. I do the same, Mr. President.

The VICE PRESIDENT. All the remaining time has been yielded back.

The question is on agreeing to the modified amendments offered by the Senator from Wyoming [Mr. BARRETT].

The amendments, as modified, were agreed to.

Mr. DIRKSEN. Mr. President, I submit the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning with line 15, on page 36, it is proposed to strike out down to and including line 5 on page 46.

On page 46, in line 6, it is proposed to strike out "VI" and insert "V."

On page 46, in line 9, it is proposed to strike out "601" and to insert "501."

On page 48, in line 4, it is proposed to strike out "602" and to insert "502."

Mr. DIRKSEN. Mr. President, I shall not labor the amendment very long. It will strike out the entire rice title of the bill.

I think the reason for the amendment is rather obvious.

Mr. President, in the interest of the schedule which the chairman of the committee [Mr. ELLENDER] and the Senator from Vermont [Mr. AIKEN] are trying to pursue, I am willing to withdraw the amendment at this time, if it is set for first consideration on Monday, when we resume.

Mr. ELLENDER. Mr. President, that will be agreeable, unless at that time we have failed to complete action on some amendment which had been taken up today; in which case, I am glad to agree to have consideration of the amendment of the Senator from Illinois follow our action on such an amendment.

Mr. DIRKSEN. Yes, Mr. President. With that understanding, I withdraw my amendment, and shall resubmit it on Monday.

Mr. KNOWLAND. Mr. President, I suggest that the amendment be submitted now, so that it may be printed and lie on the table.

Mr. DIRKSEN. Yes. However, the amendment merely strikes out the rice title of the bill.

Mr. KNOWLAND. Mr. President, I think it advisable for notice of the amendment to be given, and for the amendment to be printed and lie on the table.

Mr. DIRKSEN. That is agreeable to me, Mr. President.

The VICE PRESIDENT. The amendment will be printed and will lie on the table. At this time, the amendment is withdrawn from consideration.

Mr. AIKEN. Mr. President, I call up my amendment identified as "3-8-56-I", which I submit on behalf of myself, the Senator from New Mexico [Mr. ANDERSON], the Senator from Florida [Mr. HOWLAND], and the Senator from Delaware [Mr. WILLIAMS]. This is the amendment which will strike out the mandatory supports for millable wheat at 90 percent of parity. The amendment is as follows: On page 2, beginning with line 3, to strike out down to and including line 14, on page 3.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, beginning with line 3, it is proposed to strike out down to and including line 14, on page 3.

Mr. AIKEN. Mr. President, as I have stated, the amendment is identified as "3-8-56-I."

I think the Senator from North Dakota [Mr. YOUNG], who is interested in this matter, should be on the floor. I wonder whether at this time we may have a quorum call, until the Senator from North Dakota can have time to return to the floor.

The VICE PRESIDENT. That may be done by unanimous consent.

Is there objection to giving unanimous consent for that purpose? The Chair hears none.

Mr. AIKEN. Then, Mr. President, I suggest the absence of a quorum; and I request that the time required for the quorum call not be charged to either side.

The VICE PRESIDENT. Is there objection? Without objection, the time required for the quorum call will not be charged to either side.

The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. AIKEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, inasmuch as the Senator from North Dakota [Mr. YOUNG] is now in the Chamber.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I yield 5 minutes to myself.

The VICE PRESIDENT. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. As I have stated, Mr. President, the amendment will strike out the provision for mandatory supports for millable wheat at 90 percent of parity. The reason for striking that out is that this provision really requires 90 percent of parity for almost all wheat of the 1956 and 1957 crops. As stated in the committee report, the Department of Agriculture is presently discounting support prices for 23 undesirable varieties of wheat; but these 23 undesirable varieties account for only 31 million bushels of the production, out of a total of 985 million bushels produced in 1954—that is to say, only 3.1 percent.

Therefore, the real question is whether wheat shall be supported at a mandatory level of 90 percent of parity—since virtually all other varieties would be considered millable wheat.

Yesterday the Senate declined to continue 90 percent mandatory supports for three other basic commodities. Unless this amendment is agreed to, so that this provision is taken from the bill, wheat will be the only one of the five basic commodities we have been discussing for which 90-percent supports will be mandatory.

Basing eligibility for price support at 90 percent of parity on the variety of the seed used, rather than on the actual output of a crop, does not constitute a sound basis for determining support levels.

Mr. President, I may say that the Department has labored for many, many years to find a method by which higher supports could be given to wheat according to quality. The Department, however, has not been able to work out a feasible plan for that, other than to adjust the support price downward 20 cents a bushel in the case of a few undesirable varieties. It would not be feasible to check the seed actually used for planting.

Also, the quality of a variety is affected by climatic and other factors. So a variety which might be good millable wheat in one area, might not be good millable wheat if grown in some other section of the country.

Neither is it possible to make all the chemical and other tests which are required in order to determine the baking quality and the cooking quality of wheat. The Secretary now presumably has authority to provide discounts in support prices, based on quality factors; and he has done so to the extent feasible. That is to say, on the 23 varieties he has announced that he will discount the support price 20 cents a bushel, I believe.

The Commodity Credit Corporation, Mr. President, presently owns 805 million bushels of wheat, and has outstanding loans on 316 million bushels more. As I have said, unless this provision is stricken from the bill, wheat will be the only commodity, aside from tobacco, on which supports will be mandatory at 90 percent.

It is true that possibly 3 percent of the crop could be supported at lower levels; but when we support 97 percent of the crop at the mandatory high level, we are in effect supporting the whole crop.

That, in brief, Mr. President, is the reason why it is proposed to strike from the bill the mandatory price supports for millable wheat.

Mr. YOUNG. Mr. President, I should like to have 5 minutes.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from North Dakota.

The VICE PRESIDENT. The Senator from North Dakota is recognized for 5 minutes.

Mr. YOUNG. Mr. President, first, I move to amend the amendment of the Senator from Vermont [Mr. AIKEN] by striking out, on page 3 of the bill, in line 14, the words "and 1957 crops", and inserting in lieu thereof the word "crop", so as to make the amendment apply only to this year's crop.

The method of supports provided under this amendment is exactly what the Secretary of Agriculture is now doing, except on a more extensive scale. The Secretary is discounting some varieties of wheat now at 20 cents a bushel. I believe these varieties should be discounted more. Certain varieties of wheat now being processed are good only for feed purposes. To continue the program we have had for several years, that of providing as high a level of support for the poorest quality wheat the farmer can grow as for the top quality, would break any kind of price-support program.

There was published in the Washington Post and Times Herald this morning a part of a letter from Secretary of Agriculture Benson to the Senator from Vermont [Mr. AIKEN], in which he stated, in part, that he would give the cotton farmers 86 or 87 percent of parity. I have no quarrel whatever with that. The surplus situations with respect to wheat and cotton are almost identical. We have on hand about a year's supply, enough to meet our domestic requirements plus the anticipated or expected exports. Wheat producers have done a little better job this year in bringing the supply down to the level of our needs. Our wheat production this year has been about in line with our domestic needs plus exports. If the opponents of the amendment would be more likely to support it at 87 percent of parity, which the Secretary has promised for cotton, I might be willing to consider that figure. But I do not believe that would give as much to the wheat farmer as we are now giving to cotton producers, because the average support under this provision would be between 85 and 87 percent of parity.

The bill provides that the minimum support shall not average less than 75 percent of parity. That means that the Secretary can support some of the poorer quality of wheat at less than 75 percent if he so desires. So it is not giving more to wheat than to cotton, and I do not think it is as much as we are giving to corn.

Under the corn provision, the corn farmers will be given 6 million acres more than they would have had under the law on the statute books today. If we were to give wheat farmers 6 million additional acres, plus the 81 percent supports, which the corn farmers have, I think every wheat farmer would take it.

I think this provision is only fair. It would give to the wheat farmer only a part of what the cotton farmers and the corn farmers are now getting.

Most people look upon wheat farmers as being big farmers. Thirty percent of all the wheat grown is grown by farmers who have less than 25 acres of wheat. Fifty percent of the wheat grown in America today is grown by farmers who have a maximum of 50 acres of wheat. I know of no better way to help the smaller farmers of America. Certainly, it is a step in the right direction to base price supports on quality.

I hope the amendment of my friend from Vermont will not prevail.

Mr. AIKEN. Mr. President, I yield myself as much of 5 minutes as I need to make one matter clear.

First, I wish to say that I have every sympathy with the desire of the wheat growers who produce high quality wheat to get better supports than those who produce low quality wheat. It is simply an administrative impossibility to work out the problem along the lines which this section of the bill provides.

I should like to say a word about the comparison of the supports given the wheat growers with those which it is proposed to give the cotton producers.

In the first place, unless we can change the standard grade and staple for cotton

for price support purposes, in all probability the Secretary cannot establish price supports for cotton at 86 or 87 percent of parity. That proposal is contingent on changing the base grade, which would have the probable effect of lowering the support price of cotton about 1.6 cents.

However, wheat growers do have an advantage over using a transitional parity, which is not enjoyed to the same extent by the cotton growers. Under the old parity formula, wheat would be \$2.51 a bushel. Under the new parity formula it would be \$2.19 a bushel. Under the transitional parity formula which is being used this year, the parity price for wheat is \$2.38 a bushel. While wheat is being supported at 76 percent of the transitional parity, that would be 82½ percent if the new parity were in effect.

It is true that wheat supports are dropping about 13 percent this year. If the change in the base grade of cotton is made, price supports for cotton will drop about 10 percent. In fact, they will probably drop about 10 percent anyway.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. Is it not true that wheat takes a harder rap under the modernized parity formula than any other commodity? It loses about 30 cents a bushel.

Mr. AIKEN. One can say that wheat suffers a greater letdown under the modern formula than the other basic commodities do; or one may say that wheat enjoyed greater benefits under the old formula than did other commodities. It depends on how one looks at it.

I point out that in the past 6 years, under the International Wheat Agreement, wheat for export has been subsidized to the extent of about \$800 million. Had half that amount been spent in subsidizing the export of cotton, there would be no surplus cotton left in the country. I do not think there has been any export subsidy on cotton since the early days of World War II, when, as I recall, an export subsidy was paid.

While it is true that the proposed supports for cotton are only 10 percent below those of last year, and the supports for wheat 13 percent below last year, it is also true that, had cotton, in the past, enjoyed the same benefits in the way of subsidies that wheat had, cotton would, beyond a doubt, be supported at 90 percent today.

Mr. MUNDT. Mr. President, I desire some time on the other side of the amendment.

Mr. ELLENDER. Mr. President, I yield the Senator from North Dakota [Mr. YOUNG] as much time as he desires.

Mr. YOUNG. Mr. President, I ask for the yeas and nays on my amendment to the amendment of the Senator from Vermont.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WILLIAMS. What will the first vote be? Will it be on the amendment of the Senator from North Dakota [Mr.

YOUNG] or on the amendment offered by the Senator from Vermont?

The VICE PRESIDENT. The first vote will be on the amendment of the Senator from North Dakota [Mr. YOUNG] to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. WILLIAMS. May we have that amendment stated? It is my understanding that the Senator from Vermont was moving to strike out all of section 102.

The VICE PRESIDENT. The Senator is correct.

Mr. WILLIAMS. I was wondering if the amendment of the Senator from North Dakota should be considered an amendment to the amendment offered by the Senator from Vermont, or an amendment to the bill itself. I have no objection to his offering his amendment, but I think it should be offered to the bill.

The VICE PRESIDENT. The amendment of the Senator from North Dakota would perfect the language which the amendment of the Senator from Vermont would strike out.

Mr. WILLIAMS. May we have that paragraph read?

The VICE PRESIDENT. The amendment of the Senator from North Dakota takes precedence over the motion to strike out.

The amendment of the Senator from North Dakota to the amendment of the amendment of the Senator from Vermont will be stated.

The LEGISLATIVE CLERK. On page 3, line 14, it is proposed to strike out "and 1957" and change the word "crops" to "crop", so as to read:

This paragraph shall be applicable only to the 1956 crop.

Mr. WILLIAMS. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WILLIAMS. I am not quite clear. The amendment of the Senator from North Dakota reads as though it were directed against the bill, whereas the amendment of the Senator from Vermont would merely strike out all the language. I wonder if the vote on the amendment of the Senator from North Dakota should be considered a vote on an amendment to the bill, rather than an amendment to the amendment of the Senator from Vermont.

Mr. AIKEN. Mr. President, if it is agreeable—and, of course, it must be—I ask unanimous consent, in accordance with the proposal of the Senator from North Dakota [Mr. YOUNG] that the bill be amended by striking out the words "and 1957" on page 3, line 14, and changing the word "crops" to "crop." However, I do not wish to jeopardize the position of my own amendment.

The VICE PRESIDENT. Let the Chair state the parliamentary situation.

The reason why the amendment of the Senator from North Dakota [Mr. YOUNG] takes precedence over the amendment of the Senator from Vermont [Mr. AIKEN] is that the amendment of the Senator from North Dakota is a perfecting amendment to the text of the bill, whereas the amendment of the

Senator from Vermont proposes to strike out the entire section.

Mr. WILLIAMS. I understand that the amendment offered by the Senator from North Dakota takes precedence, but I understand also that his amendment is an amendment to the bill, rather than an amendment to the amendment offered by the Senator from Vermont [Mr. AIKEN].

The VICE PRESIDENT. The Senator is correct.

Mr. WILLIAMS. That is the point I was raising.

Mr. AIKEN. I believe there is no objection to the amendment proposed by the Senator from North Dakota.

The VICE PRESIDENT. The Senator from North Dakota originally had stated that his amendment was an amendment to the amendment of the Senator from Vermont. The Senator from Delaware is correct. The amendment of the Senator from North Dakota is an amendment to the bill.

Mr. MUNDT. A point of order, Mr. President. Is it not appropriate to present the unanimous-consent request propounded by the Senator from Vermont, to permit the Senator from North Dakota to amend the bill in the manner he wants to amend it before we have a vote?

The VICE PRESIDENT. If there is no objection, the Senate may vote on the Young amendment at this time. Is there objection? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG].

The amendment was agreed to.

The VICE PRESIDENT. Now the question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN].

Mr. YOUNG. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from North Dakota.

Mr. YOUNG. Mr. President, it is true that wheat exports have been subsidized for years. However, the subsidy of the United States is one of the lowest in the world. Wheat is probably the most international commodity of all commodities. It is produced in almost every country of the world. Our subsidy for the export of wheat is the third lowest in the world. Even Turkey provides a higher subsidy for export than does the United States, and we lend Turkey the money with which to pay its subsidy on exports.

Mr. President, may we have order?

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Senate will be in order.

Mr. YOUNG. No agricultural commodity is as much in demand as wheat. It has been the staff of life for 2,000 years or more. People can live on bread and water alone. Our country wisely undertook years ago to subsidize the export of wheat under an international wheat agreement. Wheat falls into an entirely different category from any other commodity.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. RUSSELL. I merely wish to say to the Senator from North Dakota that I hope the provision he espoused in the committee will prevail. The 90 percent principle as it applies to cotton has been abandoned on the floor of the Senate. Some of the votes against it were cast by Senators from wheat States. However, the Senator from North Dakota himself has always stood four-square for 90 percent supports. Although cotton has been eliminated from 90 percent supports, and stands in danger of being stricken further, I shall vote with the wheat farmers, even though the Senator's amendment, incorporated in the bill in committee, does not affect my State.

Mr. YOUNG. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MORSE. I deeply appreciate the remarks of the Senator from Georgia. He and I have stood shoulder to shoulder on the farm issue, to protect the cotton farmers and the wheat farmers. I intend to give them my support at all time. I appreciate the support he has given us.

Mr. RUSSELL. I thank the Senator.

Mr. YOUNG. I, too, thank the Senator.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CARLSON. I happened to be out of the Chamber when the Senator from North Dakota discussed his amendment, which is now in the bill. I would appreciate his explaining it briefly.

Mr. YOUNG. It would give 90 percent support to the best quality wheat. The support could not go below 75 percent. Therefore, we have more flexibility in the amendment than under the Anderson Act of 1949, and just about as much as we had under the Aiken Act of 1938. It would give 90 percent for top quality wheat. That is what the Secretary is doing at this time. The language accentuates the program in the right direction, and, as amended on the floor, provides only a 1-year program.

Mr. CARLSON. As I understand, the language provides 90 percent support for milling quality wheat for 1 year. Is that correct?

Mr. YOUNG. That is correct.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. RUSSELL. I dislike very much the use of the word "flexible." I have become somewhat allergic to the mere mention of that word. Nevertheless, I shall support the Senator's position if it is agreeable to the wheat farmers.

Mr. YOUNG. The language in the bill, section 102, would encourage farmers to plant good quality wheat. If they plant good quality wheat, they will get 90 percent support. If they do not plant that grade, they will not get it. I think that is as it should be.

Mr. RUSSELL. That makes it less likely that the Government will have considerable losses by virtue of accumulating inferior quality wheat.

Mr. YOUNG. That is correct.

Mr. RUSSELL. It is an incentive to plant better wheat. Is that correct?

Mr. YOUNG. It will create more markets domestically and abroad.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CASE of South Dakota. Does the Senator agree with the suggestion offered by the Senator from Vermont [Mr. AIKEN] that only about 3 percent of the wheat produced would be eligible for the 90-percent support?

Mr. YOUNG. I suppose this year all but about 3 or 5 percent would be eligible. The bill sets up an advisory commission—which would be advisory to the Secretary of Agriculture—to determine in the future what is millable quality wheat and what is not millable quality wheat, and to advise the Secretary of Agriculture in that regard.

Mr. CASE of South Dakota. Only a relatively small proportion of wheat would be eligible to 90-percent support. Is that correct?

Mr. YOUNG. No; almost all of it would be eligible.

Mr. CASE of South Dakota. It has been my understanding that most of the dark Northern wheat has been sold on the market at 90 percent of parity or better.

Mr. YOUNG. That is correct. Good quality wheat last fall sold at a premium as high as 60 cents a bushel over the support level. Much of the wheat has been sold for 40 to 50 cents a bushel below support. That indicates how badly this program is being operated under the present method. It indicates why we should embark upon a new program.

Mr. CASE of South Dakota. If the advisory commission which is to be appointed makes the judgement I anticipate it will make with respect to wheat, I do not see how it could possibly cost the Government very much to maintain this incentive for growing good milling wheat.

Mr. YOUNG. I think it is a step in the right direction.

Mr. AIKEN. Mr. President, I yield to the Senator from New Mexico as much time as he may need.

Mr. ANDERSON. Mr. President, the language in the bill sponsored by the Senator from North Dakota I am sure looks in the right direction. I know he wants to get good quality wheat. However, I do not believe there should be any misunderstanding as to what we are voting on. This is a 1-year 90 percent support provision for wheat. Ninety-six percent of the wheat produced is milling quality wheat or of a standard that produces milling quality wheat.

The bill does not provide that the wheat produced shall be of milling quality; it merely provides that so long as the farmer produces a grade that ordinarily produces milling quality wheat, it shall have 90 percent support.

I believe it is very difficult to work out exactly what the Senator from North Dakota is trying to achieve. I believe he would like the wheat farmers to receive premiums for very good wheat, and Congress made such provision in the case

of durum wheat when that was brought to the attention of Congress by the Senator from North Dakota. Congress did say that there might be unlimited plantings of durum wheat, up to a reasonable amount. It gave an opportunity to expand the crop because the people who were using it had to pay premium prices for it.

If the same thing could be done for all varieties of wheat there could be very little objection to the amendment, but in view of the vote which was taken on 90 percent supports yesterday, it would be strange indeed if the Senate should reverse itself and say, "We will not have it for cotton, but we will grant a 90 percent support price for 1 year on wheat." One year carries it through an election year, but that is not a very effective way of handling the matter. I think it will complicate the whole structure, because someone will say, "We have done it 1 year for wheat. Why not do it 1 year for cotton, and 1 more year for corn?"

Mr. HOLLAND. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HOLLAND. Am I correct in my understanding that we have a year's supply of wheat on hand?

Mr. ANDERSON. I think the supply situation on cotton is a little worse. We have 13 million bales of cotton, and we have 800 million bushels of wheat. It takes about 225 million to 250 million bushels of wheat for us to have good housekeeping arrangements, so that it will go to the mills at the proper time. We have something like 800 million bushels of wheat at the present time, and it will be very difficult to dispose of it. As was pointed out the other day, the International Wheat Agreement was handled on such a basis that we were able to sell wheat at 50 or 60 cents a bushel. It is now up to 87 cents, and we are unable to move it. We shall subsequently have to make the price \$1 a bushel.

Mr. YOUNG. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. YOUNG. I have a letter from Lloyd N. Case, Director of the Grain Division, in which he says the subsidy rate of the International Wheat Agreement presently is 61.80 cents a bushel, and for the fiscal year 1954 to 1955 the rate was 74.85 cents a bushel.

Mr. President, I ask unanimous consent to have this letter printed in the RECORD.

Mr. ANDERSON. I should like to have it in the RECORD, because a statement was given to us a short time ago that the present level was up to 87 cents.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 6, 1956.

HON. MILTON R. YOUNG,
United States Senate.

DEAR SENATOR YOUNG: In accordance with your telephone request, the following are the average subsidy rates paid for wheat under the International Wheat Agreement and applicable subsidy rates recorded on Commodity Credit Corporation sales at IWA prices but outside of IWA quotas, based on records of our Fiscal Division, CSS:

*International Wheat Agreement*Cents per
bushel

Fiscal year 1854-55----- 74.85
 July 1, 1955, through Jan. 31, 1956--- 61.80
 CCC subsidy not under IWA

Cents per
bushel

Fiscal year 1954-55----- 73.80
 July 1, 1955, through Jan. 31, 1956--- 71.80

Very truly yours,

LLOYD N. CASE,
 Director, Grain Division.

Mr. AIKEN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. The could possibly be some difference in the manner in which it is exported. I imagine we do not have subsidies that come out even and they probably vary from day to day.

Mr. HOLLAND. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HOLLAND. Is it correct to say that the subsidy mentioned in the letter is in addition to the price supports, and, as a matter of fact, this particular industry has had about \$800 million worth of subsidies by way of a two-price system under the International Wheat Agreement and otherwise, to enable it to keep up its export levels?

Mr. ANDERSON. Yes. The Senate has decided it will not support a 90-percent program. Even though it is called a milling-wheat program, about 96 percent of all wheat would qualify under this amendment. If the Senate wants to reverse itself and vote for 90 percent supports it has that privilege, but I think we should know what we are voting on when we do so.

Mr. HOLLAND. Is it not a fact that there is a year's supply of wheat on hand by way of surplus and that wheat growers, more than any other group of producers, have had very strong support in their export business under the International Wheat Agreement and otherwise, amounting to approximately \$800 million? Is that correct?

Mr. ANDERSON. Yes; that is correct.

Mr. CARLSON. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. CARLSON. I am wondering if the Senator from New Mexico really believes that a price support of 90 percent would make any difference in the yield of winter wheat this year.

Mr. ANDERSON. No, I think not.

Mr. CARLSON. On that basis, then, it would not make much difference whether the support price were 90 percent or any other figure, so far as production is concerned. The only place it could have any effect would be in the spring wheat area. In the winter wheat belt. The only thing to do would be to plow up growing wheat.

Mr. ANDERSON. To plow under growing wheat. We have had a great deal of talk about plowing under every third row of cotton and killing little pigs.

Mr. CARLSON. I am sure the Senator from New Mexico does not think the farmers of Kansas or any other wheat-growing State are going to plow up a

growing crop of wheat and receive in return under the acreage reserve 60 or 70 percent. I do not think they are going to do it.

Mr. ANDERSON. I do not think so, either.

Mr. CARLSON. In fact, I think this is the most logical amendment that has been offered during the entire discussion, not because I represent a wheat section, but, in the first place, the soil bank will not be of any benefit to the winter-wheat section. Second, it will not reduce the surplus. Therefore, I hope the Senate will give some consideration to those two points.

Mr. ANDERSON. I say again, Mr. President, that I am not going to worry about what the Senate does with this amendment. I think it is a bad amendment only because it revives the question of 90-percent supports.

I am sure the purpose of the Senator from North Dakota is to try to get good quality wheat, but it is an extremely difficult problem. He has made the best approach to it that he could take. I do not question his motive, but, from my standpoint, it is only one more 90-percent amendment, and, therefore, I shall oppose it.

Mr. ELLENDER. Mr. President, I yield to the senior Senator from South Dakota 10 minutes.

Mr. MUNDT. Mr. President, I hope the Senate will give careful consideration to the amendment which is now before it, because this is the only place in the entire bill that we can do anything positively of benefit to the vast number of wheat farmers scattered across the length and breadth of this land. If we were to adopt the amendment offered by the Senator from Vermont, wheat would have the status of a Little Orphan Annie. It would be the only product condemned to be worse off in 1956 than it was in 1955.

On most of the farm products of the land, the Congress has had to put on little patches of special legislation to meet the problem. That is being done with cotton. It was done with rice and tobacco. We have adopted the Hickenlooper amendment with reference to corn. We have done a little for the farmers who will get 81 percent of parity, but if we pass the Aiken amendment we shall have taken away not only the support prices, but we shall have compelled the farmer to suffer greater cuts and reductions in income than last year and a still greater disparity in the cost price of wheat which is already driving him to despair.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I yield.

Mr. AIKEN. May I ask what the amendment would take away from the wheatgrower which he already has today?

Mr. MUNDT. Yes. It will take away an additional number of acres, and part of his present price support level.

Mr. AIKEN. Oh, no. It would take away something the Senator proposes to give him. It will not take away anything from what he now has. If there

is to be no bill at all, he would still have exactly what he has today.

Mr. MUNDT. Except that he has a constant shrinkage of his acreage under the formula of the bill, and a lowered price support.

Mr. AIKEN. It would take away something of what the Senator from South Dakota proposes to give him, in addition to what he has today.

This morning we gave our wheat growers a boost of 50 cents a bushel in the support of sorghum. That will help tremendously those in the winter wheat area. I am told that; I have never raised sorghum. But the amendment the Senate is now considering does not take away a thing which the wheat grower has today. It simply takes away something from what the Senator from South Dakota thinks the farmer ought to have in addition to what he has today.

Mr. MUNDT. It takes away from him his comparable position with other producers, because, as was pointed out by the distinguished Senator from Kansas, the passage of the bill at this time will also preclude the farmer from enjoying the benefits of the soil bank in those areas where wheat has already been planted. Adoption of the provision in our committee bill would open the door of the soil bank to the wheat farmer, as under the corn amendment we have sought to open the doors of the soil bank to the corn farmer.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. The distinguished Senator from Vermont asks what will be taken away from the farmer. It is true the amendment will not take away anything. It has been taken away. It will have that effect if the amendment applying the law to the wheat crop in the calendar year 1956 only shall be permitted to stand. There will be a 27-cent-a-bushel reduction on the commodity loan for the 1956 crop.

What is proposed by the provision is to reinstate, on what is recognized as acceptable milling quality wheat, 90 percent supports, but that which is not accepted as a millable quality of wheat will go into the feed values, or the 75 percent bracket.

That is what is proposed in the so-called wheat provision in the bill, which the amendment offered by the Senator from Vermont proposes to strike from the bill.

Mr. MUNDT. The Senator is exactly correct.

Mr. President, I do not wish to yield any further at the moment, until I have had an opportunity to develop my argument.

I point out further that even the distinguished Senator from New Mexico [Mr. ANDERSON], with his vast information on agricultural matters, and despite the fact that he supports the Aiken amendment, stated that this proposal "looks in the right direction." I add that it looks in the same direction as the President's message on agriculture.

The President said he hoped Congress and our committee would try to find a way in which price supports could be

geared to quality. This is a step in that direction. This will be a 1-year experiment, to see whether the program will work as well as the Senator from North Dakota hopes it will work, or as poorly as the Senator from New Mexico fears it will work.

But, in all events, in that year the wheat farmer will be provided with his sole chance, as a result of the agricultural bill passed this year, to get the benefits from the soil bank program and the benefits from the price supports, which will help to protect him against the cost-price squeeze.

As the Senator from Kansas has pointed out, the proposal certainly cannot increase the production of wheat in any area where wheat has already been planted; and in the areas where wheat has not been planted, there are two built-in gadgets which will help reduce production.

By planting the quality of wheat destined for production as milling wheat in the area in which it is planted, the farmer is required to upgrade his operation in order to qualify for the 90-percent support price.

That means that those who would try to grow quality wheat on land and in a climate which is not destined to grow it will not produce it. It means that those who would plant as many acres as they could in an area where a bountiful crop of poor grade wheat could be harvested will produce a smaller number of acres, but will get a higher quality wheat.

So the proposal moves in good directions. We provide the farmer with an opportunity to participate in the soil bank, and also to enable him to get price supports on quality production, plus the fact that the proposal will help to reduce the big surpluses which exist in the wheat areas.

I think we would be derelict in our duty to permit an agricultural bill to pass in 1956 which by one gadget or gimmick, or another does something for tobacco and rice, does something for cotton, does something for corn—and I hope we are going to be able to help the livestock producers—does something for the other feed grains, but says to the wheat farmer, "So far as you are concerned, we have picked you out to be the all-American sucker. You can go down the drain."

I do not believe Congress wants to do that. I do not believe the Senate wants to do it. I do not believe the administration wants to do it. I do not believe our friends from the South, where cotton is grown, want to launch that kind of attack on the wheat farmers. I do not believe the farmers who raise tobacco want to single out the wheat farmers and make them the whipping boys. I do not believe Senators from urban areas want to reject the fact that the wheat farmer is entitled to the same kind of justice and fair play, the same kind of protection, for at least 12 months, while we find out how the soil-bank procedure works, while we have an opportunity to study more efficient and effective methods to gear price supports to quality wheat, and at least enable the wheat

farmer to meet the challenge of increasing costs in the year in which we are presently living.

So I implore Senators, on this particular measure, to give us a 12-month breathing spell; to give us an opportunity to bring the wheat farmer into the picture, whereby we are trying to do something to help the entire segment of American agriculture.

If we reject the proposal, we deprive the wheat farmer of a better parity formula; we deprive him of his price supports. We may find in July that the International Wheat Agreement has expired without being renewed, because the British are raising a considerable amount of opposition to the agreement.

I do not think the Senate or Congress or the administration wants to pick on the wheat farmer; but that is certainly what will happen if we do nothing.

I implore Senators to vote for the amendment offered by the Senator from North Dakota [Mr. Young], modified, as it has been, to cover a 12-month period, in order to afford an opportunity to give some element of justice for so short a time at least to so many farmers who raise wheat.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. CARLSON. Is it not a fact that in 1954 wheat was supported at \$2.24; and that under the 76 percent of parity it will be supported at \$1.81 in this year, 1956? That would be the top price for milling quality wheat.

Mr. MUNDT. That is correct. If the percentage figures are to be reduced to the price per bushel, which the farmer receives for his product, it is a shocking thing, so shocking that I think no Senator who understands the facts will want to subscribe to it by his vote in a yea-and-nay vote.

Mr. MORSE. Mr. President, will the Senator yield me 3 minutes?

Mr. MUNDT. I yield 3 minutes to the Senator from Oregon.

Mr. MORSE. I simply want to re-enforce what has been said by the Senator from North Dakota [Mr. Young], the Senator from South Dakota [Mr. MUNDT], and the Senator from Minnesota [Mr. THYE].

I wish to make an argument for the small-business men who live in towns in the Wheat Belt of the country. First, I think all we are trying to do is to eliminate the nondiscriminatory features of the bill in relationship to the wheat producer. We are seeking to relate in principle the wheat producers to what we have already done for the corn producers and some of the other grain producers.

We cannot justify a discriminatory bill, a bill which discriminates against some farmers and gives benefits to others. I want all farmers to receive equal treatment. That is what the Senator from South Dakota was, in effect, saying. When we take into account the difference between the support price which milling wheat will get and the support price which nonmilling wheat will get, the final average support parity for wheat will be somewhere between 86 and 87 percent, in round numbers. I am

not going to quibble over some slight difference. At least, under this amendment, we shall be doing for the wheat producers what, in effect, we have already done for the corn producers and some of the other grain producers. I think that is only fair and equitable.

As a member of the Small Business Committee of the Senate, I give Senators my word that the merchants in the small towns who rely for their income on the wheat areas are not doing so well. They are not doing so well because the wheat producers are not doing well. We may as well face the fact that the purchasing power of the wheat producers has dropped. Their purchases in turn have dropped. Many of them are buying on credit.

I also wish to say that in the last 10 minutes I have discussed with one of the wheat producer leaders of my own State, who is within the precincts of the Senate, the effect of the amendment on the wheat producers of my State. He said it would be of great help. Let me emphasize, it would be of great help to the merchants in the so-called wheat towns to have the purchasing power of the farmers brought back to somewhere near a decent level.

I think the arguments which have been made by the Senators I have mentioned make a clear-cut case for the amendment.

I wish to thank the Senator from South Dakota, who, in this instance, as in so many others, has risen on the floor to fight for justice and equity for the wheat producers. We are not asking for any advantage. We are asking for equal treatment. The amendment is aimed at that purpose.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I think the matter now pending before the Senate deserves the earnest consideration of those who are responsible for the record of this Congress. I wish to direct my remarks to those who will be responsible for the record the Republican Party is going to make in this Congress, and to those who will be responsible for the record the Democratic Party is going to make in this Congress.

Last year wheat was supported at 82 percent of parity. This year it is going to be supported at 76 percent of parity, unless the section proposed to be eliminated shall be kept in the bill, or some other takes its place.

What is the record on the pending bill? We have already established a situation whereby cotton will be supported at 86 or 87 percent of parity. In this connection I refer my colleagues to the letter which the very able Senator from Vermont [Mr. Aiken] read a few days ago. Cotton will be supported at 86 or 87 percent of parity. Under the Hickenlooper amendment as adopted, corn is going to be supported at 81 percent of parity. But, unless the section 102 on page 2 shall remain in the bill, wheat will be supported at 76 percent of parity in the absence of other action.

I doubt that that is the record the Democratic leadership or the Republican leadership wants to make. I do not believe the Senate or the Congress or the administration wants a record written that will say, "We give 87 percent to cotton for 1956 and 81 percent to corn for 1956, but when it comes to wheat, which is a basic commodity, we give it a 76-percent deal for this year."

It is not fair. It is not right. It smacks of special treatment for corn and cotton, and discrimination against wheat. I do not think Congress will want to write that kind of record.

Mr. AIKEN. Mr. President, I yield myself 1 minute.

The Senator from South Dakota seems to be considering this matter in terms of votes. If that be true, suppose we extend 90 percent of parity until the 1st of November.

Mr. KERR. Mr. President, will the Senator yield?

Mr. AIKEN. Mr. President, I yield myself 1 minute more.

Mr. KERR. Did I understand the Senator to say he wanted to cosponsor an amendment to give 90 percent of parity to the basic commodities?

Mr. AIKEN. I did not understand the Senator.

Mr. KERR. I did not either, but I wished to assure him that if he did, some of us would join him.

Mr. AIKEN. Mr. President, I yield 10 minutes to the distinguished Senator from Florida, and more time if he needs it.

Mr. HOLLAND. That will suffice. I thank the Senator.

Mr. President, I think the action of our distinguished friend, the junior Senator from North Dakota [Mr. YOUNG] in the very beginning of this debate in asking to strike from the bill the second year during which the proposed increase to 90 percent would apply, and confining it to this year, the good election year of 1956, speaks rather loudly as to what it is that we have in mind in this particular amendment.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. I am only thinking that we should coincide wheat with what we are doing for cotton. The Secretary says he is going to support cotton at 86 or 87 percent of parity. That is a 1-year deal. I want wheat to be treated in the same way.

Mr. HOLLAND. I thank the distinguished Senator. I suppose it is a mere coincidence that the Senator from South Dakota has announced in the RECORD that he is ready to propose—as a matter of fact, it has already been printed, and is lying on the desks of each of us—an amendment to extend for 1 year 90 percent price supports for cotton, corn, peanuts, and anything else that was covered in the action which was taken yesterday.

Mr. President, what is proposed is just as clear as a bell. It is designed to undo, or begin to undo, the action we took yesterday, for the political year 1956, and no longer. I call the attention of my distinguished friend to this fact: If it is a good program, if it is a sellable pro-

gram, if it is a defensible program for 1956, it certainly ought to be for 1957. If anything was needed—

Mr. MUNDT. Mr. President, will the Senator yield? I am sure the Senator from Florida with his customary sense of fairness, will recognize that there is a difference between 1956 and 1957 which is not political, but economic, in that in many parts of the country the 1956 wheat crop has already been planted. This proposal will enable the farmers who have already planted to share in the benefits and bounties of agriculture in the year 1956.

Mr. HOLLAND. I thank the Senator. That brings me to another point. I noted a great inconsistency between the point made by the Senator from Kansas and the point just made by the Senator from South Dakota. The Senator from Kansas has said the soil bank cannot apply in 1956, because most of the wheat has been planted. The Senator from South Dakota now says what has been also said by one of my other distinguished friends who has just spoken, that if we put the program into effect, we can expect to see a material upsurge in quality by reason of plantings of other varieties.

It seems to me the Senators involved in the offering of the particular amendment now pending are grasping at every possible straw to make good political grist for the mills in this year of 1956, and have forgotten that by the very fact of the amendment of the bill, which was their bill, they have shown they are not willing to stand up and defend that program for the year which will follow, but they are hopeful that it will be enacted for the current year.

Mr. CASE of South Dakota, Mr. CARLSON, and Mr. MUNDT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield?

Mr. MUNDT. The Senator from Florida has misquoted me, and I think the record ought to be corrected.

Mr. AIKEN. Mr. President, I ask for the regular order.

Mr. HOLLAND. Mr. President, I desire to yield to no Senator at this time. I am speaking on limited time.

If there needed to be any announcement made of the fact that we have abandoned, by the offering of this particular amendment, the good old rampart which was based on sound and economic grounds, and have come instead to the political rampart of "Yes; we must have something for 1956, because that is the year when our constituents are voting," particularly when we note the degree of interest on the part of the distinguished Senators who are running for reelection in 1956, we must come to the conclusion that what is involved here now is a political retrenchment and a falling back on political ramparts. Do not think the farmers will not see that, and do not think the public will not understand it. This is a political step, and there is no way in the world to defend it.

I see some of my distinguished friends on the other side smiling. I am glad they have the good humor to do that. I

expected it of them but we all know now that they are playing politics in a big way.

So far as we are concerned, the question we ought to consider seriously is this: If we decline to agree to the amendment of the Senator from Vermont, if we leave in the 90 percent of parity for the good political year of 1956, let us remember that our good friend from South Dakota and other Senators have ready an amendment which they have had printed, and which they have announced, which would undo what we did yesterday for 1 year, that same political year, which would get the Senate into the indefensible position of doing two things: First, putting our case on the basis of playing good politics, instead of playing sound economics; and, second, getting ourselves in the position of doing more for wheat—which has received the greatest expenditure of public funds, by way of subsidy, that has ever been given to any commodity. Furthermore, wheat is in serious trouble because there are a billion bushels of wheat in surplus; and, as the distinguished Senator from North Dakota well knows, wheat is in trouble principally, not in his area, where quality wheat is produced, but, rather, in the areas where inferior wheat is produced, because I remember hearing the constituents of the distinguished Senator from North Dakota, who testified before our committee, tell us that their wheat was selling above parity. Why? Because they were producing good, sound, hard wheat which all the millers wanted, and that wheat was not a drug on the market.

Mr. MUNDT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Mr. President, I have not finished making my points, but I yield now to the Senator from South Dakota.

Mr. MUNDT. I thank the Senator from Florida. Mr. President, while the Senator from Florida is reaching for straws and is misquoting my arguments by saying that I differed from the Senator from Kansas because, as the Senator from Florida says, I have alleged that in respect to the areas of the country where wheat has already been planted the adoption of the Young amendment would increase the quality of the wheat, let me say that I did not say any such thing. What I said was that in the case of the areas where wheat has already been planted, adoption of the Young provisions would increase the income the farmers would get from the wheat they have already planted, and there is no other avenue by which they can get any substantial benefit from the bill if we sabotage the amendment.

Mr. HOLLAND. Mr. President, I think the Senator from South Dakota has made his point.

Mr. CASE of South Dakota. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. The Senator from Florida has implied that because the Senator from North Dakota proposes that the words "and 1957" be stricken out, so as thus to make the

amendment applicable to 1956, he has suggested a purely political approach.

Let me say that I hope that before the Senate completes its action on the bill, it will consider the amendment which the Senator from Kansas [Mr. CARLSON] has prepared. I am a cosponsor of the amendment, and it proposes a long-range approach to the wheat problem.

But at this time let us consider the 1956 situation, to see whether the arrangement proposed for cotton and the arrangement established for corn are such as to justify the remarks the Senator from Florida has made.

The so-called Hickenlooper amendment, dealing with corn, is for 1 year. I hold in my hand a copy of the Washington Post and Times Herald for March 9, and from it I read a paragraph from a letter which is said to have been made public by the Senator from Vermont [Mr. AIKEN], as addressed to him under date of March 7. That letter of the Secretary of Agriculture, Mr. Benson, reads in part, as follows:

In the event satisfactory legislation passed with respect to these items, i. e., the soil bank, new parity, and change in the staple length, it would appear desirable to set the support level for cotton for 1956 at about 86 or 87 percent of parity.

That, it will be noted, is a 1-year deal as far as cotton is concerned, 86 or 87 percent for 1956.

I should like to ask the senior Senator from Florida how he can maintain that there is anything more political in the approach to wheat than there is in the approach to cotton and to corn. The corn amendment, which has been adopted, is for 1956. In the letter from the Secretary of Agriculture to the Senator from Vermont [Mr. AIKEN], the suggestion for cotton is for 1956.

The point I was trying to make is that by these means we have established an 86- or 87-percent approach for 1 year for cotton, based on the letter of the Secretary of Agriculture; and an 81-percent 1-year approach for corn, under the Hickenlooper amendment. So I said—and I think I was correct—that if we have an 87-percent approach for cotton for 1956, and if we have an 81-percent approach for corn for 1956—both limited to 1956—then certainly we are warranted in looking at the kind of record the Congress is making if we remove section 102 and leave wheat with only 76-percent support for 1956.

Mr. HOLLAND. Mr. President, as I understand the argument of the distinguished Senator from North Dakota, it is that he thinks politics has been played with reference to cotton.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, will the Senator from Vermont yield further time to me?

Mr. AIKEN. *Yes; I yield 5 additional minutes to the Senator from Florida, if that will be sufficient for him.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes additional.

Mr. HOLLAND. Mr. President, as I was about to say, as I understand the

argument of the Senator from North Dakota [Mr. YOUNG], it is that he thinks politics has been played with reference to cotton—with which I do not agree; and he thinks politics has been played with reference to corn—with which I do not agree; and therefore he says, "Let us make it unanimous, and have a 1956 program for wheat"—which is, as clearly as can be, a political stratagem and a political maneuver.

Of course, Mr. President, Senators can vote as they see fit. However, so far as I am concerned, I was not affected by the cotton amendment and I was not affected by the corn amendment; and I am simply speaking from my conviction and the belief that the 90 percent price-support provision has been the bad root of our greatest trouble, and has, more than anything else, brought on the surplus, and that the possibility of enactment into law of the good provisions of the bill will be jeopardized by any restoration of 90 percent of parity in this case, because if the President has the self-respect which I think he has, he will not sign a bill providing for 90-percent price supports.

In concluding, insofar as I am concerned I wish to make it clear that if the Senate wishes to stand in the eyes of the country as considering—in connection with this bill, which has such tremendous economic implications—the primary question to be politics in 1956, then the adoption of the position taken by those who oppose the amendment of the Senator from Vermont [Mr. AIKEN] will certainly put us clearly and conclusively in that position.

I do not care to be in that position; but, so far as I am concerned, in that case, I think we would be in it just as clearly as if we were to state as a part of the provision itself, "This price support will expire after November 8, 1956."

Mr. YOUNG. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. YOUNG. I think the Senator from Florida is being unfair in his inference. I would gladly have this arrangement made for 2 years; but since the administration has given cotton and corn a 1-year deal, it seems only proper to make a similar arrangement in the case of wheat. Of course, Mr. President, the wheat farmer would be tickled to death to have 5 million additional acres and to have price support at 81 percent of parity. Certainly the wheat farmer would be tickled to death to have that arrangement made.

But since the administration has made these two 1-year deals, is it wrong to make the wheat provision conform to them? I propose that reluctantly, but I thought it was the thing to do.

Mr. HOLLAND. The difference between cotton and wheat is that wheat has had the beneficent support of the Government to the tune of over \$800 million, in sustaining its export program. Cotton has not had anything like that. If cotton had had anything of that sort, cotton would not be in trouble now.

Mr. YOUNG. Mr. President, will the Senator from Florida yield further to me?

Mr. HOLLAND. I yield.

Mr. YOUNG. Was not wheat in the greatest demand, and more seriously needed, during the war than anything else, except cotton—and also since the war—to keep the whole world alive?

Mr. HOLLAND. Mr. President, wheat has done a wonderful job; and if in this bill we can provide anything for wheat, I shall be happy to have that done. But in my judgment the Senator from North Dakota is not going about the matter in the right way in seeking to restore 90 percent of parity for wheat, and particularly when that is predicated on the year 1956, because I believe that, regardless of whether we wish it or not, such action will result in labeling all Senators who support it as thinking primarily of the fall of 1956.

Mr. YOUNG. Mr. President, if the amendment provided for 98 percent support, I think the Senator from Florida would be correct. But I believe that under this provision, the average support for wheat would be around 86 percent or 87 percent of parity, and that is exactly what we are providing for cotton. If it were a straight 90 percent, I should say the Senator would be correct.

Mr. HOLLAND. I am glad to have that statement from the Senator. I hope it will be remembered by the Senate when we come to consider the amendments to be offered by the Senator from South Dakota and the Senator from Kansas, providing for a straight 90 percent for 1956, for other commodities.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. On what basis does the Senator pretend to say what amendment the Senator from Kansas or the Senator from South Dakota is going to offer?

Mr. HOLLAND. All I can say is that the amendment was printed and was lying on the desk. I talked with the Senator from South Dakota, and he told me he had prepared the amendment. Yesterday when it was not offered as a substitute I asked him why not. The distinguished Senator from South Dakota said he was going to hold it and offer it later.

Mr. CASE of South Dakota. The Senator from South Dakota did not say he was going to offer it later.

Mr. HOLLAND. Just what was the statement of the Senator from South Dakota?

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. If the Senator will yield 1 minute more, I should like to have the Senator from South Dakota given an opportunity to make a statement.

The PRESIDING OFFICER. The Senator from Vermont [Mr. AIKEN] has 31 minutes.

Mr. AIKEN. I yield 10 minutes to the Senator from Florida.

Mr. HOLLAND. I should like to have the Senator from South Dakota state his recollection of what happened. As I recall, the Senator said he was not going to offer his amendment at that time. I had been advised that he had intended to offer it from the floor. The Senator stated that he intended to offer it later.

Mr. CASE of South Dakota. The printed amendments will show that the Senator from South Dakota did have an amendment printed, which would strike out the words "and 1957," which would have to be offered, were it to have been offered, before the amendment of the Senator from New Mexico [Mr. ANDERSON] was voted upon. The Senator from South Dakota decided not to offer the amendment, and had no other amendment printed.

Mr. HOLLAND. The Senator remembers my discussing the subject with him, does he not?

Mr. CASE of South Dakota. Yes. I said that the matter could be approached by a motion to reinstate the language with a substantive change but I was not sure I would offer it, that I would wait and see what happened. I saw what happened—a decisive vote for the Anderson amendment—and concluded not to offer a substitute amendment afterward.

Mr. HOLLAND. Did the Senator state that he was holding it for later in the debate?

Mr. CASE of South Dakota. No. The Senator from South Dakota pointed out that that particular amendment would have had to have been offered before the amendment of the Senator from New Mexico was voted upon. The printed amendment of the Senator from South Dakota applied to section 101. That amendment would have had to be voted upon before the Senator from New Mexico offered his amendment.

Mr. HOLLAND. Will the Senator from South Dakota state what he said about offering it later?

Mr. CASE of South Dakota. The Senator from South Dakota said he would wait and see how things went, and that he might offer language which would restore the portion of the language relating to 1956; but the Senator from South Dakota saw what happened yesterday afternoon, and he concluded not to offer an amendment on that point.

Mr. HOLLAND. There is no great difference between the recollection of the Senator from South Dakota and my own. I am perfectly willing to let the statement of the Senator from South Dakota stand.

Mr. CASE of South Dakota. The Senator from South Dakota did not have any amendment printed other than the one to which he has referred.

Mr. HOLLAND. So far as the Senator from Florida is concerned, he is perfectly willing to accept the statement made by the Senator from South Dakota covering the discussion. It is clear that there is very little difference between our recollections.

Mr. HUMPHREY rose.

Mr. HOLLAND. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I should like to be recognized in my own right.

Will the Senator from Louisiana yield me 5 minutes?

Mr. ELLENDER. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I rise to support the proposal of the Senator from North Dakota [Mr. YOUNG]. I think the Senator from North Dakota

has made a good case. He has pointed out what is an obvious fact, but he is apparently in some difficulty because the plane of politics, when it comes from a source other than Mr. Benson, is illegal. If the Senator from North Dakota could get the Secretary of Agriculture on the telephone and get him to say that it would be all right to have this provision in the bill, it would have the aura of respectability.

The Secretary of Agriculture has been down to the Senate, wheeling and dealing for days. Thus far he has been able to split the Senate up into small segments, commodity by commodity.

Let us face the facts. The corn amendment was a special deal. The cotton proposal is a special deal. It does not help many of the cotton farmers, but it is a special deal.

The proposal of the Senator from North Dakota is a committee provision, considered in committee, duly arrived at in committee. It was discussed in committee and voted upon by the duly elected representatives of the Senate. It is no deal. It involves no politics. It is a legitimate legislative proposal.

However, I regret that apparently the only way we can get a majority vote for anything is to obtain for it a political blessing from the Department of Agriculture. I am perfectly willing to stall the debate long enough so that Mr. Benson can be consulted, to see whether or not he will put his seal of approval on it. If he puts his political seal on it, I suppose it will be accepted. It will be cleansed, purified, and adapted to the current political situation.

I intend to vote for the 90 percent on milling quality wheat. I think it is deserved. I think it is perfectly legitimate for the senior and junior Senators from South Dakota to argue that the wheat farmer is receiving a raw deal, 76 percent of parity under the most severe acreage allotments of any crop. Wheat farmers cannot survive under that kind of situation.

What the Senator from North Dakota has proposed relates to a particular variety of wheat, milling quality wheat. He took the testimony. He has done what the producers of the milling variety of wheat, which is not in surplus to any appreciable degree, have asked for.

Most of the wheat in storage today is not the milling variety of wheat, and the supports being offered here are upon a particular species, variety, or type.

There is no legitimacy to the argument that, after we have practically wrecked three-fourths of the farm bill, we should wreck the remainder of it. Apparently the argument that is being used is this: "We have taken the heart out of the cotton farmer; we have given the corn farmer a good beating over the head with a cornstalk with a lead pipe in it. We are about ready to operate on the peanut farmers, and all the rest of the farmers. We surely did not help the cattle raiser or the hog farmer."

The argument is, "Let us be logical; let us be consistent. We have been murdering all of them, except the wheat farmer. Let us get him."

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask for 2 additional minutes.

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Minnesota.

Mr. HUMPHREY. I think it is time to call a halt on this kind of chipping away at a farm program which could be effective. I should like to know that at least on one commodity in this bill the Senate considered the interest of the farmer. The wheat farmer is just as deserving as anyone else.

The Senator from Georgia [Mr. RUSSELL] exhibited a kind and magnanimous treatment and consideration which I had hoped would prevail. If I correctly recall what the Senator from Georgia said, it was something to this effect: The cotton farmer got a bad deal, but he did not hold the Senator from North Dakota accountable. The Senator from North Dakota has been a true friend of the cotton farmer, the hog farmer, the wheat farmer, and all other farmers. I am here to rally to his defense. I will vote with him not only once, but 3 or 4 times, if I am permitted to do so. I think he deserves the kind of support for which he has worked. No Senator has worked more diligently for the people he represents than has the Senator from North Dakota.

I repeat, this is a committee proposal. This is not a synthetic proposal which came from the executive branch.

We are supposed to be legislating. If Mr. Benson wants a vote in the Senate, let him get himself elected to the Senate. I do not like the proxies he is exercising.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. RUSSELL. The Senator from Minnesota has stated that the mere fact that nearly all the other elements of agriculture are about destroyed is no reason to destroy the wheat farmer. I agree with the Senator. Before we are through, we had better save one breed of farmer, so that future generations will know what farmers looked like. The wheat farmer happens to be in that category, which is his good fortune. There is no reason for exterminating them all.

Mr. HUMPHREY. The Senator from Georgia has again exhibited charity and compassion, as well as good judgment.

It is true that there will be very few farm families left; and if we keep a few on wheat farms, it will be very beneficial for future generations. At least it will be some guide as to what the past was like, and our children may know what kind of Americans once lived in this land.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, I do not wish to repeat the argument of the Senator from Minnesota. He is doing a herculean job in the debate. I do wish to point out that the price support on wheat is at 76 percent at the present time because the Secretary of Agriculture substantially reduced the set-aside on wheat to 429 million bushels. If he had left it at 529 million bushels, the price support would be around 83 percent.

It is very interesting that we should raise the acreage for corn. We raised it from 43 million acres to 51 million acres. I supported it. I do not intend to do an injustice to corn producers or to any other producers. However, I wish to point out that if the set-aside on wheat had been left at 500 million bushels, the parity-support price would be 83 percent of parity.

I wonder if we could get some of our friends who have been leading the fight against the wheat farmers to agree to raising the set-aside on wheat from 429 million to 500 million bushels, corresponding to what we have done for the corn producers. As the Senator from Minnesota has pointed out, the amendment sponsored by the Senator from North Dakota [Mr. Young] in committee and incorporated in the bill, is a very sound provision, and it does equality of justice to the wheat producers.

The last point I wish to make is with reference to what has been said about politics having entered the farm debate. I hope there is politics in the debate. I hope this is still a political body. I believe this to be a body of politicians, using that word in the proper sense. I hope it is made up of politicians elected to represent their respective constituencies. I have no hesitancy in pointing out that when I am making my fight on the farm bill, in trying to return the purchasing power to the farmer and to provide him with a decent living, I am carrying out what is the desire of the people of my State. I am not at all frightened by the charge that some political considerations may be involved in the debate. I hope they are involved in the debate. I hope the Senate has political responsibility in seeking to carry out what I think is the clear wish of the constituencies of Members of the Senate.

Mr. President, the will of our constituencies is to return to the farmers a decent purchasing power so that they shall have a sound economic level, and so that big business shall not be the only industry to enjoy profits and prosperity.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. Would it not be fair to characterize the three stages of the agricultural policy of this country as the New Deal, the Fair Deal, and the Sliding Deal?

Mr. MORSE. The Collapsible Deal.

Mr. HUMPHREY. The Sliding Deal, with collapsible supports.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from North Dakota [Mr. Langer].

Mr. LANGER. Mr. President, I rise to support the amendment of my colleague [Mr. Young]. I am entirely satisfied that some of the oldtimers in the Senate have forgotten what the wheat farmer did in World War I and World War II, and why some of our farmers find themselves in difficulty. They find themselves in difficulty because in World War I they were told to plant and to plant and to plant. All over Kansas and

all over the great wheat area millions of acres were broken up for the planting of wheat. Wheat was planted on sub-marginal land, along railroad rights-of-way, and in parks in cities. Not only that, but farmers had to get seed loans from their Government. Canada canceled all its seed loans a year after the end of the war. However, in North Dakota, 40,000 out of 50,000 farmers got such loans, and all but 4,000 have repaid the loans. The 4,000 farmers are still paying 6 percent interest on their loans.

I support what has been said by the Senators from South Dakota, and by the Senators from Minnesota. The farmers are entitled to some income.

Not only are they entitled to support themselves, Mr. President, but they must have money to pay back the money they borrowed from the Government when they did everything they could to support the Government in time of war.

As I said, Canada canceled those loans, but the United States did not. Thousands of farmers are still paying 6-percent interest on them. In some cases the interest alone has amounted to 2 or 3 times what the original loan was when it was made. Certainly the wheat farmer is entitled to the same kind of deal as my distinguished colleague has said was accorded the corn farmer and the cotton farmer. I thank him for putting in this amendment in the committee and fighting for the rights of the wheat farmers all over the country.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

There has been much said about what the cotton farmer is going to receive in the way of special benefits. But where are those benefits? Are they real, or tangible? They are not, Mr. President. They are only conditional. Their enjoyment is conditioned upon three prerequisites. All the talk about special treatment for cotton is based on a letter dated March 2, addressed to the Honorable GEORGE D. AIKEN, and signed by the Secretary of Agriculture, Ezra T. Benson. This letter outlines what cotton farmers might expect, provided certain conditions precedent are met. Let me be frank, Mr. President. These benefits which may flow to the cotton industry are predicated on what Congress is going to do to S. 3183. As I interpret the letter, it will not only be necessary that the 90-percent provision be stricken, which was of course done yesterday, but at least two other matters will have to be attended to also. These are, first, the calculation of the support price based on the average grade and staple, instead of the present seven-eighths standard, and, second, the defeat of the dual parity formula. Both of these conditions are still to be met. Whether they will be remains to be seen.

Mr. President, I supported the amendment providing 90 percent of parity price supports for millable wheat, as written in the bill. I did this because, as it has been stated on several occasions, the Committee on Agriculture and Forestry studied this provision carefully, and determined that it had great merit.

As a matter of fact, last May, when the committee first voted to hold grass-roots hearings throughout the Nation, there was a feeling among some of us that if we could find a formula under which we could write into the bill a support price of 90 percent of parity for quality-grade, readily salable, commodities we might be able to help our farmers economically, stimulate the production of desirable, marketable commodities, and discourage the production of commodities for which no ready markets exist.

We elicited testimony as to how we might do so not only among the witnesses that we heard throughout the country, but soon after the hearings were concluded I, myself, wrote many letters to millers and spinners, and to attorneys in the Department of Agriculture. The committee staff and the legal staff of the Legislative Reference Service of the Library of Congress also joined in the search.

We learned that it would be a very difficult thing, a practically impossible task, for us to write into law a formula which would define what kind, grade, and type of the various commodities would be embraced within our projected standard of readily salable. It was only then that the committee voted and reinstated 90 percent of parity price supports as outlined in section 101. The only reason wheat was left out of section 101, which was voted down yesterday, was because we felt we had obtained a workable standard by which we could measure a readily salable type of wheat. That standard is millable. It is usable wheat for which a ready demand exists. For that reason, the committee felt it would be entitled to 90 percent of parity supports.

I am not here to debate whether this formula will work. I do not know. It might. I hope it will. I believe it would be a good idea for us to try it.

For that reason, Mr. President, although the 90 percent support provisions as found in section 401 has been stricken from the bill, I will cheerfully vote to retain in the bill the section which is now sought to be stricken.

SEVERAL SENATORS. Vote! Vote!

Mr. WILLIAMS. Mr. President, the Senator from Vermont [Mr. Aiken] left me in charge of his time. I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS. Mr. President, the Senator from New Mexico and the Senator from Vermont have stated the question accurately. This is the same vote that we had yesterday, namely, the decision on the question of whether we will retain 90-percent supports. This time it is whether we will retain 90-percent supports on wheat only. Yesterday we struck out the other 90-percent provision.

The point has been raised that all that the Senator from North Dakota proposes to do in the amendment that is now a part of the bill, is to maintain the position on wheat as it was in 1955.

That is not quite true.

Mr. MORSE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. MORSE. I am not sure that I understood what the Senator from Delaware said, but is he under the impression that the amendment means 90 percent support for all wheat, or only for millable wheat. Does the Senator understand that for the wheat farmers as a whole—and they are the ones we must think about—since a part of the wheat is feed wheat and a part of it is millable, the average would be 87 percent?

Mr. WILLIAMS. I understand that it refers to milling wheat only, but that represents, according to the Department of Agriculture, approximately 97 percent of all the wheat produced this year, which will be eligible for 90 percent supports.

Mr. MORSE. Mr. President, I think we should get it straightened out. My understanding is that when we take millable wheat and nonmillable wheat the total average would be from 86 to 87 percent for all wheat. If that be true, I respectfully say that the Senator from Delaware gives a false impression that there would be a 90 percent average for wheat.

Mr. WILLIAMS. I think I am correct. The understanding I have as a member of the committee, is that under the Young amendment approximately 97 percent of the wheat would be eligible for the 90 percent support. I point out again that the question on which we are about to vote is whether we are going to continue 90 percent support for wheat for another year.

Furthermore, this is not a question of whether we maintain the status quo for wheat producers in 1956 as compared with 1955. In 1955 wheat was supported at a price of \$2.08 a bushel. If the amendment sponsored by the Senator from North Dakota is left in the bill, it will not maintain a support price of \$2.08, but it will give the wheat farmers a price of \$2.26 or 18 cents per bushel above what they received last year.

Let there be no misunderstanding this is an effort to raise the support level on this one commodity.

Mr. YOUNG. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. YOUNG. If the provision for 90 percent of parity remains in the bill, it would be about 87 percent on the average.

Mr. WILLIAMS. Is the Senator going back to the old formula?

Mr. YOUNG. No.

Mr. WILLIAMS. Then we have not voted upon that question yet. We are speaking of the bill as it is now before the Senate. If the amendment is rejected, it would mean that the wheat farmers would get 18 cents per bushel more this year than they received in 1955—

Mr. YOUNG. The Senator is assuming that all the wheat would qualify for 90-percent support, which is not the case. I think the Department of Agriculture estimates it at about 95 percent.

Mr. WILLIAMS. About 95 to 97 percent; that is correct.

We have the Department of Agriculture figures which were furnished on January 1. There is 1,960,000,000 bushels of wheat on hand now. We have enough wheat on hand to last 3 years at normal consumption without the production of another grain. Yet, Mr. President, we are being asked to support the price of wheat for another year at 80 cents per bushel more than the wartime price the farmers received and 18 cents per bushel above last year's price.

That is perfectly ridiculous. Unless we get our farm program on a more equitable basis, we shall lend up with no farm program at all, because the American taxpayers are not going to continue to underwrite a program which is costing any such staggering sum.

The borrowing authority for the Commodity Credit Corporation is now \$12 billion. They have used it up except \$649 million. We were told by the Department of Agriculture that if this bill is passed in the form in which it was reported by the committee, they would be before us in a few days asking for at least 5 billion more with which to carry out its provision.

I think it is well for those who are continuing the agitation for 90 percent price supports to remember their votes today when they later express their interest in giving the taxpayers some relief. We cannot vote billions away in one program unless we are going to provide the means to pay for it. Many of those who are agitating for a continuation of price support in excess of wartime price supports are the strongest supporters of tax reduction.

That is inconsistency with a capital letter.

Mr. LANGER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. The Senator mentioned \$12 billion. That is exactly the amount we gave Russia; is it not?

Mr. WILLIAMS. Not with my vote. The Senator from North Dakota was in the Senate then, I was not.

Mr. LANGER. But is not that true? Did not the United States give Russia \$12 billion? Now we hear squawking about helping the farmers of the country who have paid taxes year in and year out, income taxes and taxes of all kinds, to the tune of nearly \$300 billion. All the farmers are asking is that they be put on an equality with industry. We want the wheat farmer to be on an equality with the cotton farmer.

Mr. WILLIAMS. The same argument can be used when we come to vote on the question of social security or any other measure. The same argument can be used many, many times, but I remember that the Senator from North Dakota advocates lower taxes. I remind him we cannot vote for these appropriations and authorizations and distribute money here and there unless we are willing to pay for it. It is hypocritical for any man to say he is for these things and is not willing to provide the money.

Mr. LANGER. We are not giving the money to the farmer; the farmer is earning it, every single penny of it. That poor farmer who is buying half a section

is earning his money. It is not like giving money to Italy and practically every other country on the face of the globe.

Mr. WILLIAMS. The Senator is asking to have a 90-percent support price for wheat, 18 cents higher than they received last year and approximately 80 cents more than the wartime price. That is treatment which is not given to any other class of farmers.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I can assure the Senator from Delaware that the wheatgrowers are greatly concerned about the surplus. They are the ones who are suffering from the surplus and from the price. But let us keep in mind that the differential between 76 percent and 90 percent for this year will not make a difference of 1 bushel in the surplus, so far as the winter wheat sections are concerned. There will be no less wheat. The wheat is already planted. We reduced the wheat acreage to 55 million, and under the soil bank proposal we are supposed to reduce it 12 million acres more. In Kansas we have cut back in 2 years to 10,800,000 acres, and now we are requested to cut 3 million more acres. If we could get the soil bank to assist us we could cut back the acreage, but this year we cannot get any benefit from that program, and it will not affect the surplus.

Therefore I say, in all sincerity, that if we are going to vote 86 percent support for cotton this year and 81 percent for corn, surely we should give the wheatgrowers the same advantage and the same opportunity.

Mr. ELLENDER. Mr. President, unless other Senators desire to be heard—

Mr. HICKENLOOPER. Mr. President, I should like to be heard in opposition.

Mr. ELLENDER. For how many minutes?

Mr. HICKENLOOPER. For 3 minutes.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I want to make my position clear with reference to the wheat provision in the bill as reported by the committee.

I am in complete sympathy with the objective announced by the wheat area farmers.

Mr. SALTONSTALL. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. SALTONSTALL. Is the Senator in favor of the Aiken amendment?

Mr. HICKENLOOPER. I am in favor of it.

Mr. SALTONSTALL. Mr. President, I yield the Senator from Iowa 3 minutes.

Mr. HICKENLOOPER. I am in complete sympathy with the announced objectives of the wheat provision of the bill as explained on the floor; but as it is contained in the bill, it does not give support on millable quality wheat; it gives support on millable varieties of wheat, which, as has been demonstrated, cover about 96 or 97 per-

cent of all the wheat produced. So the proposal is a 90-percent support for almost all the wheat produced in the United States.

If the sponsors of the provision will so amend it that it will be applicable to millable quality wheat, and not to millable varieties of wheat, I will support it. But the situation being as it is, the provision gives wheat the most favorable treatment it has ever had, while other commodities in comparison receive unfair treatment.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. YOUNG. Would not the Senator be willing to give the wheat farmer the treatment which the corn farmer now receives?

Mr. HICKENLOOPER. No; because the wheat farmer today has almost 20 million extra acres of wheat over and above the national needs, while the corn farmer does not have an extra acre.

Mr. YOUNG. The Senator knows that the wheat farmer has brought his production down this year to conform with expected domestic needs plus expected exports.

Mr. HICKENLOOPER. I do not know that that is correct.

Mr. YOUNG. It is correct. All the Senator has to do is check with the Department of Agriculture.

Mr. HICKENLOOPER. The formula does not show it. The formula shows that if the wheat farmer brought his production down, there would be only about 18 million or 20 million acres. That is too low. It would be about thirty-five or forty million acres too low. The wheat farmer had 55 million acres.

Mr. YOUNG. Is the Senator talking about human domestic needs, or is he talking about domestic needs and also exports?

Mr. HICKENLOOPER. I am talking about the needs of this country, so far as the supply of wheat, in the consideration of the overhanging surpluses of wheat which have accrued, are concerned. I have heard it said on the floor today that the farmer in the Corn Belt is being unfairly treated. He has been going around for years producing real overflow acreages of corn.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. AIKEN. Mr. President, I yield 3 additional minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I have heard it said on the floor today that the cottongrowers are paragons of virtue, while the cornrowers are horrible folk. The fact is that cotton is now and has been given favored treatment, over and beyond the needs and demands of the country. Corn has not. Corn has been on a realistic basis.

I want to see the wheat farmers treated fairly. I have said that I will support the 90-percent protection on the millable-quality wheat, with a differential on the support price for the non-millable wheat which is hanging over our heads, to discourage its production. This is a proposal which gives wheat a

most unusual treatment. In fact, with a 90-percent treatment throughout the entire Wheat Belt, the wheat production will be so great that the surpluses of unsalable wheat will continue to pile up.

I shall support a 90-percent support price for millable wheat, but I think the price should be graduated downward, so that a proper differential can be given.

If the Senator from North Dakota will devise that kind of formula, I will support him.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I may say to the Senator from Iowa that I felt the same way about this question. If this were an amendment relating to millable-quality wheat, I would not be so worried. But this is not that kind of amendment. All a farmer has to do is to plant a variety which normally becomes millable quality.

Mr. HICKENLOOPER. That is correct. When he buys from a feed dealer a variety which says, or in some cases alleges, that it will produce millable-quality wheat, he gets 90-percent support regardless of the resulting crop.

Mr. YOUNG. What the Secretary is doing is to discount 23 varieties 20 cents a bushel.

Mr. HICKENLOOPER. Not exactly. Would the Senator be willing to remain on the same basis?

Mr. YOUNG. No. We are doing exactly what the Secretary is doing now, only on a broader basis.

Mr. HICKENLOOPER. No; I disagree with that statement.

Mr. YOUNG. The Senator is a member of the Committee on Agriculture and Forestry; he must have read the bill.

Mr. HICKENLOOPER. The Senator from North Dakota now wants to apply his proposal to all the varieties which are designed or calculated to produce millable varieties of wheat.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. ANDERSON. Is it not a fact that the Secretary of Agriculture is now making discounts for millable quality wheat; and if the amendment shall be agreed to, he will not be able to do that?

Mr. YOUNG. That is not correct.

Mr. ANDERSON. He has to allow 90 percent so long as it is planted, if it is to be of millable quality.

Mr. YOUNG. No. Certain varieties remain at a discount. That is in the committee report and in the bill itself.

Mr. HICKENLOOPER. I do not so read it.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CARLSON. I believe the Senator is in error. I am convinced, as the Senator has said, that certain varieties of wheat are offered at a discount. They will continue to be offered at a discount. The winter wheat crop is already in. If a farmer has planted a variety wheat at a discount, he cannot change it between now and harvest time. I think the Senator from Iowa is completely in error.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. SALTONSTALL. I yield 2 minutes additional to the Senator from Iowa.

Mr. HICKENLOOPER. The bill provides that varieties which will yield millable qualities of wheat will be supported. That means, according to the admission of the Senator from North Dakota and other Senators, that about 96 percent of the wheat will be supported at 90 percent of parity, regardless of whether that wheat, when it has grown and has matured, is millable wheat or not.

Mr. YOUNG. That is correct.

Mr. HICKENLOOPER. It will have 90-percent support. It does not make any difference what kind of quality is placed on it; it will receive 90-percent support, and that will apply to almost all the wheat grown in the United States. So our troubles will still continue to be with us.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. WILLIAMS. I think the Senator from North Dakota has pointed out that several varieties of wheat will be supported at a lower price; but all those varieties combined will be only 3 percent of the wheat produced. So the Senator is correct when he says that the amount which would be supported at 90 percent of parity would be 95 or 97 percent of all the wheat produced.

Mr. HICKENLOOPER. The explanation is as simple as that, because about 96 or 97 percent of the wheat planted is of milling variety. It is the variety which is supported; not the quality.

Mr. WILLIAMS. That is correct.

Mr. HICKENLOOPER. When we vote on this amendment, we must understand that we are supporting the varieties of wheat that grow, not the quality of it.

Mr. LANGER. Is it not true that Indian squaw corn is covered by price supports?

The PRESIDING OFFICER (Mr. MORSE in the chair). The time of the Senator from Iowa has expired.

Mr. AIKEN. I do not wish to yield more time for the opposition to use up. If the Senator from Iowa needs more time to complete his statement, I shall be glad to yield it to him.

Mr. HICKENLOOPER. No. My statement is completed. I merely wanted to answer the rather fantastic question of the Senator from North Dakota.

Mr. AIKEN. Mr. President, I yield myself 5 minutes.

This is a rather fantastic situation. I fear that in the political atmosphere in which we are surrounded, some of our colleagues may have completely lost sight of the farmer. After all, this is an agricultural program designed to improve the level of farm prosperity.

When we undertook this work, I was under no illusions as to the difficulty of having any farm legislation which would be of benefit to the farm people passed this year. I had heard that there were those who would delay as much as pos-

sible any efforts to improve the level of farm prosperity this year. Although I have heard such statements, I do not think any Member of the Senate would be willing to do such a thing.

However, it is important that every Senator who votes on the amendment should know exactly what he is doing. It is a long, uphill job to have farm legislation passed. It can be killed by a single vote. I am not sure that this is the time when the bill is going to be killed.

We are told we are not being fair to the wheat grower, that we are doing more for the producer of cotton or rice or corn or some other commodity. In this commodity conflict, with a political background, we just are not going to treat everybody exactly alike. One commodity may be treated a little better this year. Another one may be treated a little better next year.

Cotton has not been subsidized for export for years; \$800 million was spent for the export of wheat in the last 6 years. If cotton had been subsidized for export to that extent, there would not be a bale of cotton in the United States today.

I do not think we have been treating wheat badly. For many years wheat has had the advantage of 30 to 40 cents being added to its price, because it was permitted to come under the old parity formula.

If no legislation is enacted, then the legislation which is on the books now will prevail. Wheat will have exactly what it has now. If we can enact good legislation, wheat will have exactly what it has now plus any benefits which it may derive from the soil bank program, plus any benefits which it may derive from increased support prices for feed grains, plus any benefits which it may derive from continued subsidization of wheat, which will probably amount to another \$150 million or \$200 million this year.

Now we can kill the bill. We can kill it by insisting on going back to the unsound program which got American agriculture in the place it is today. I am simply saying that because I am not sure how the vote which the Senate shall take in a few moments will go. It may be the vote which will kill the bill.

I want every Senator who votes on the amendment to do so with his eyes wide open, and be willing to accept the responsibility of depriving the farmer of a \$200 million increase this year.

Mr. President, I have nothing more to say, but I did not want the vote on the amendment to be taken without reminding the Members of the Senate that what they do now may determine whether or not we shall go ahead with the soil bank and other provisions which promise to be of benefit to the farmers.

Mr. DANIEL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Vermont has expired. Does he yield further time to himself?

Mr. AIKEN. I yield myself 2 additional minutes.

Mr. DANIEL. I wished to ask the Senator which vote he thought would kill the bill. Would a yea or a nay vote on the amendment kill the bill?

Mr. AIKEN. I think the vote to restore 90-percent rigid supports for wheat would kill it.

Mr. DANIEL. That is the way the committee brought the bill to the Senate.

Mr. AIKEN. That is right. I am trying to save the soil bank and other provisions of the bill.

Mr. President, I yield myself 2 additional minutes, so I can make this statement. I have heard that it is the aim of some persons to see to it that there is sent to the President a bill so totally unsatisfactory that he cannot possibly maintain his self-respect and sign it.

Mr. WELKER and Mr. ERVIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Vermont yield; and if so, to whom?

Mr. AIKEN. I yield to the Senator from Idaho.

Mr. WELKER. Is not the whole problem one of surpluses?

Mr. AIKEN. We have today almost 2 billion bushels of wheat on hand, enough to last us for 3 years. It is going to be a tremendous job to get rid of it.

In answer to the question of the Senator from Idaho, I wish to say "Yes." It is a problem of surpluses. We may find that the soil bank may materially reduce those surpluses. We believe our foreign trade program has now gotten underway so that it can be stepped up. The Department has done a beautiful job of selling over \$200 million of our surpluses in the last week. The Commodity Credit Corporation is in need of several billion dollars more. It has been reluctant to ask for it while the bill has been before the Senate. It has a total borrowing power of \$12 billion. Some 2 weeks ago there was only \$600 million left uncommitted, with great crops still to be dealt with.

Whether this bill is the right one or not, the Commodity Credit Corporation has to have \$3 billion more to take it through this year. We must devote all our thinking and energy to ridding ourselves of our present surpluses. As the Senator from Idaho has said, our big problem today is the problem of surpluses.

Mr. WELKER. Since the surpluses are the admitted reason for the farm problem, has the Senator from Vermont or any other member of the committee given 5 minutes' thought or any thought to the suggestion made by me in a speech on the floor of the Senate and which originated with the thoughts of the great Admiral Byrd to establish an international food bank in the Antarctic, which I called to the Senator's attention several weeks ago? Admiral Byrd's plan could do away with our food surplus in a matter of months, and would be cheaper than the cost of 1 year's storage of our vast commodities, which, as you know, costs the American taxpayer better than \$1 million a day and we must build more storage next year—thus more expense. What folly. What a way to save money and dispose of farm surpluses. Study the matter please, and then come up with a better plan to dispose of the farm surpluses and I will be

happy. Has anyone given that a thought? If not, why not?

Mr. AIKEN. I may say to the Senator from Idaho I have given it thought, and very serious thought. I think it is a very worth-while suggestion. Whenever it is decided to store commodities in the Antarctic, I should like to help pick out the delegation to send down there. [Laughter.]

Mr. WELKER. I want to say it is not a laughing matter, in view of the fact that Admiral Byrd has used food which was buried in the Antarctic for 32 years and other food stored for 22 years. The admiral will be back in a few weeks. He will tell me more about that. He has written articles about the matter. We cry about our surpluses. Yet we gloss over the fact that he has given us the only sound, reasonable way of getting rid of our tremendous surpluses, which would amount to an insurance policy against hunger forever, and also enable us to get our surpluses out of this country and off the backs of the American farmer.

Mr. AIKEN. The Senator is entirely correct. Food stored in the Antarctic would undoubtedly keep for generations, and not merely years.

Mr. WELKER. I want someone to come up with a better plan. I do not claim any monopoly on the suggestion, but I have heard about the soil-bank proposition, and I do not think it is worth two bits, and it cannot and will not help my small family farms in Idaho as anyone well knows as long as the Bureau of Reclamation is trying to bring more and more new land into production.

Mr. AIKEN. Sometimes I think that if we in Congress ceased legislating and kept our Government from interfering in the farmers' business to any great extent, we would have a prosperous agriculture at the end of 10 years.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, South Carolina is a non-commercial area so far as wheat is concerned. The amendment would not affect my State in any way, but personally, I am for helping the wheat farmers. I believe that the bill, if amended as the Senator from North Dakota has suggested, would help the wheat farmers of the Nation.

The only question before the Senate at the present time is whether the parity supports should be adjusted up or down. If the Senate wants them adjusted downward, it should vote for the Aiken amendment. If the Senate wants them adjusted upward, it should vote for the committee amendment, as amended by the Young amendment.

I am in favor of high parity support prices and strict controls. We control wheat production. A few moments ago we raised the figures so far as corn is concerned. We have practically no control on corn acreage in the United States. I am glad to say the wheat farmers have abided by the quotas and cut their quotas down every time the House and the Senate have so provided.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. YOUNG. Is it not correct that the Department of Agriculture estimates that on July 1 of this year there will be 1 billion bushels of wheat on hand, or 1 year's supply?

Mr. JOHNSTON of South Carolina. The Senator is entirely correct.

I wish also to bring to the Senate's attention something that has been said about the soil bank. So far as wheat-growers are concerned, the soil bank will not affect them to any appreciable extent this year. How many wheatgrowers are going to plow their wheat under?

The PRESIDING OFFICER (Mr. MORSE in the chair). The time of the Senator from South Carolina has expired.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Louisiana yield 2 more minutes to me?

Mr. ELLENDER. I yield 2 additional minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 additional minutes.

Mr. JOHNSTON of South Carolina. I thank the Senator from Louisiana.

Mr. President, since we do not give them anything more in regard to the soil-bank profits, I believe we should give them high parity, because they are being strictly controlled, and they will cut down the acreage, which will reduce the amount of production, normally speaking, if the same weather conditions exist throughout the wheat-growing area.

So I, personally, shall vote for the committee amendment as amended, because I think that will give the wheat growers a better opportunity to make a living.

Mr. ELLENDER. Mr. President, unless some other Senator desires to be heard, I am prepared to yield back the remainder of the time available to our side.

Mr. MUNDT. Mr. President, I should like to say a brief word.

Mr. ELLENDER. How much time does the Senator from South Dakota require?

Mr. MUNDT. About 3 minutes, Mr. President.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 3 minutes.

Mr. MUNDT. Mr. President, as I said earlier, I think this will be an extremely important vote from the standpoint of doing justice for the wheat farmers. I hope Senators will not be dissuaded from voting in the way they think proper by any pitchfork-in-the-back tactics, because no Senator can tell us what will kill the bill or what will cause the bill to be signed. If Senators can tell us authoritatively about that, let them speak now. However, I hear nothing except hints and hunches and innuendoes. Mr. President, all of us can engage with equal validity in hints and hunches. If any Senator has a signed letter stating in so many words that such-and-such will result in killing the bill, let him produce it and tell us about it.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I yield.

Mr. AIKEN. Let me say that I am advised that the Senator from South Dakota was looking at my back when he made his last statement.

Mr. MUNDT. No; I was not doing that.

Mr. AIKEN. I wish to say to the Senator from South Dakota and to other Senators who may be interested in this matter that those who kill the bill will have to take full responsibility for doing so. I do not know whether the soil bank means anything to South Dakota or not; but if the soil bank is killed by that State's own Senators, I hope they will take the responsibility for it.

Mr. MUNDT. Mr. President, if we are going to take the responsibility of seeing which Senator will vie with a well-known columnist in attempting to be the best prophet, I am willing to predict that if we adopt the amendment of the Senator from South Dakota, the President will sign the bill.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield further to me?

Mr. MUNDT. I yield.

Mr. AIKEN. I may say that I am not a member of the Republican conference who runs to that columnist and gives him his information. I am sure the Senator from South Dakota is better informed on those matters than I am.

Mr. MUNDT. Mr. President, I did not intend to get personal with the Senator from Vermont. I happen to belong to the Republican conference, but I do not run to any columnist with information.

I simply say that we should not be dissuaded from exercising our independent judgment as Senators because of innuendos or hints or hunches or crystal-ball predictions. No one has told me "cold" what the President will do about the bill.

However, if I am to prophesy, I will say that I believe the President will sign the bill with the Young amendment in it. It is apparent the Senator from Vermont [Mr. AIKEN] believes otherwise. If he has anything in writing to persuade me to accept his view, I should like to see it. But so far as I know, neither of us can state with authority what the President would do. If the Senator from Vermont has any document or paper on that subject with the President's signature imprinted thereon, I should like to see it.

The PRESIDING OFFICER. The time of the Senator from South Dakota has again expired.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield 3 additional minutes to me?

Mr. ELLENDER. I yield 3 additional minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 3 additional minutes.

Mr. MUNDT. Mr. President, I return to my original premise: In this bill we have done something for virtually every segment of the farm economy—although not as much as some of us had hoped would be done. But by one effort or an-

other, by one administrative premise or another, or by one legislative provision or another, we have done something to increase the economic posture of the various agricultural products, from the standpoint of the money the farmers will receive in 1956. We have done that for cotton, and we have done it for tobacco, and we are going to do it for rice. The distinguished Senator from Georgia stated that we should do something about peanuts, and we agreed to include peanuts.

So I see no reason why we should not treat wheat farmers with equal justice, as compared to the treatment received by the other segments of the agricultural economy.

We are about in the position of considering that the farmers are a bunch of shipwrecked sailors, and all of them have fallen off the boat of prosperity, and we are trying to do something about it. So we throw life preservers of different sizes, types, and varieties to the different groups of farmers; but in the case of the wheat farmers, we throw them a cement block. Mr. President, that is not good. It is no way to rescue our wheat farmers.

I hope Senators will vote for adoption of the Young amendment, which at least for 12 months will give the wheat farmer a chance to adjust himself to the peacetime economy, and to protect himself against the prevailing cost-price squeeze.

Mr. WELKER. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I yield.

Mr. WELKER. I like the Senator's observation with respect to whether the Chief Executive will veto the bill. I do not think that subject should ever be discussed here. What do we care—if we have courage—about what the Chief Executive does in his branch of the Government. He has his duty to perform—we have ours—neither should be afraid of the others duties. We are sent here by the American people. To the people of Idaho I owe the best that I can give.

But the Senator from South Dakota made a statement which I wish to contradict, and I wish him to show me where he is correct. He stated that the Congress has by this bill, will or has, done something for every segment of American agriculture. Will he tell me what the Congress has done for the potato growers of Idaho and Maine or for the alfalfa growers of Idaho or for the edible-bean growers of Idaho or for the pea growers or for vegetable growers in general or what has this bill done for the milk producers of Idaho, for the livestock growers. I might as well include the fruit and berry growers, the poultry raisers and small farmers in general. I should like to hear a little discourse on that subject, instead of so much discourse on the big operators. Idaho is full of small farmers and livestock growers who certainly are not aware that Congress has done something for them, and cannot help them under this bill.

The PRESIDING OFFICER. The time of the Senator from South Dakota has again expired.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield 2 more minutes to me?

Mr. ELLENDER. I yield 2 additional minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2 additional minutes.

Mr. MUNDT. Mr. President, I am not prepared to respond in detail to the inquiry of the Senator from Idaho about the fruit and vegetable industry, because in our committee the distinguished Senator from Florida [Mr. HOLLAND] always undertakes the burden of protecting that industry; and he has done a very commendable job there, insofar as our evidence is concerned.

I should like to say that my only objection to the pitchfork-in-the-back suggestion is that I agree with the Senator that all Senators should make up their own minds on these issues. But I also wish to say that I think we do something less than a service to any occupant of the White House if we are moved or persuaded by hunches or by hints. If any occupant of the White House wishes to send to the Congress a letter, certainly we should give it respectful attention.

But I want no prediction based on guesswork, and I do not think we should endeavor to force through a position by quoting someone on a subject on which he has not made up his mind, especially in the case of an amendment which has not yet been adopted. That is not the way to obtain good legislation.

In his message to the Congress on the agricultural program, the President said:

I recommend that the Congress give consideration to authorizing the annual sale for feeding purposes, at the discretion of the Secretary of Agriculture, of limited quantities of Commodity Credit Corporation wheat of less desirable milling quality.

At least we find there a recognition of the difference in the qualities of wheat; a difference recognized in the provisions of the committee bill on wheat.

And in his message asking for a change in the price-support legislation, again the President mentioned gearing the whole proposition to the quality factor.

I appeal to the Senate to give the wheat farmers a "break" for the next 12 months, and after that to find out whether we can find a better formula for gearing reasonable price-supports to reasonable qualities. I urge a vote against the Aiken amendment.

The PRESIDING OFFICER. The time of the Senator from South Dakota has again expired.

The Senator from Louisiana has 7 minutes remaining, and the Senator from Vermont has 4 minutes remaining.

Mr. ELLENDER. Mr. President, I yield back the remainder of the time available to me.

Mr. AIKEN. Mr. President, I yield back the remainder of the time available to me.

Mr. KNOWLAND. Mr. President, I should like to suggest the absence of a quorum.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McCarthy
Allott	Fulbright	McClellan
Anderson	George	McNamara
Barkley	Goldwater	Millikin
Barrett	Gore	Monroney
Beall	Green	Morse
Bender	Hayden	Mundt
Bennett	Hennings	Murray
Bible	Hickenlooper	Neuberger
Bricker	Hill	O'Mahoney
Bridges	Holland	Pastore
Bush	Hruska	Payne
Butler	Humphrey	Potter
Byrd	Ives	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Case, N. J.	Johnson, Tex.	Saltonstall
Case, S. Dak.	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Scott
Clements	Kennedy	Smith, Maine
Cotton	Kerr	Smith, N. J.
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworschak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. During the discussion on the pending amendment reference has been made many times to the "Young amendment." The pending amendment, as the junior Senator from South Dakota understands, is the amendment offered by the Senator from Vermont [Mr. AIKEN], which would strike out the so-called Young amendment, which is section 102 of the text of the bill, as amended.

The PRESIDING OFFICER. The Senator from South Dakota is correct.

The question is on agreeing to the amendment of the Senator from Vermont [Mr. AIKEN] to strike out section 102 of the bill, as amended. The amendment will be stated by the clerk.

The LEGISLATIVE CLERK. On page 2, after line 2, it is proposed to strike out the following:

PRICE SUPPORTS—MILLING QUALITY WHEAT

SEC. 102. Section 101 (d) of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following:

"(8) if producers have not disapproved marketing quotas for the crop, (A) the support price to cooperators for milling quality wheat shall be established upon the basis of a support level for the crop of 90 percent of the parity price for wheat, and (B) the support price to cooperators in any area for any other wheat shall be established, without regard to paragraph (7) of this subsection, at such level as the Secretary determines will preserve the competitive relationship between such wheat and corn on the basis of their respective feed values; but in no event shall the average support price to cooperators for all wheat (based upon anticipated production) be less than 75 percent of its parity price. For the purposes of this paragraph milling quality wheat shall be wheat produced in any area from seed of a variety which in such area normally produces wheat of a quality desired for milling purposes. In determining milling quality

wheat, the Secretary shall consult with a committee appointed by him and composed of three representatives from each of the principal wheat-producing areas. Of the 3 representatives from each area, 1 shall be a wheat farmer, 1 shall be a wheat miller, and 1 shall be a person experienced in research on wheat varieties. At least one of the millers on the committee shall have had experience in producing semolina flour. Wheat of the 1956 crop planted in any area shall be milling quality wheat for the purposes of this paragraph, unless such wheat is of a variety which was designated as undesirable in such area by the Department of Agriculture prior to the time such wheat was planted. This paragraph shall be applicable only to the 1956 crop."

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCARTHY (when his name was called). On this vote I have a pair with the Senator from Colorado [Mr. MILLIKIN]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from West Virginia [Mr. NEELY] and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent, and his pair with the Senator from Wisconsin [Mr. MCCARTHY] has been announced previously.

The vote was recapitulated.

Mr. ELLENDER. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Louisiana is recorded as having voted in the negative.

Mr. SPARKMAN. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Alabama is recorded as having voted in the negative.

Mr. FULBRIGHT. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Arkansas is recorded as having voted in the negative.

Mr. HUMPHREY. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Minnesota is recorded as having voted in the negative.

Mr. JOHNSTON of South Carolina. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from South Carolina is recorded as having voted in the negative.

Mr. AIKEN. Mr. President, I demand the regular order.

The VICE PRESIDENT. The Senator from Vermont demands the regular order.

Mr. RUSSELL. If Senators are requesting to be informed as to how they are recorded, that is the regular order.

Mr. AIKEN. Mr. President, I demand the regular order.

Mr. RUSSELL. How am I recorded?

The VICE PRESIDENT. Under the rule, which is sometimes liberally interpreted, one recapitulation is generally all that is allowed. Of course the Chair is always desirous of being sure that all Senators are recorded as they expected to be recorded. Does the Senator feel that his vote may not have been recorded accurately?

Mr. RUSSELL. I have no reason for making my inquiry other than that I did not hear the recapitulation.

The VICE PRESIDENT. The Senator from Georgia is recorded as having voted in the negative.

Mr. AIKEN. Mr. President, I demand the regular order.

Mr. GREEN. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Rhode Island is recorded as having voted in the affirmative.

SEVERAL SENATORS. Vote "nay."

Mr. AIKEN. I suggest that the Senator from Rhode Island do his own voting.

Mr. GREEN. I have a pair with the Senator from Virginia [Mr. BYRD]. If he were present and voting, he would vote "yea." If I were to vote, I would vote "nay." I vote "nay."

Mr. AIKEN. That is a peculiar pair, Mr. President.

The VICE PRESIDENT. The Chair does not understand the Senator's vote. Does the Senator from Rhode Island desire to vote or change his vote?

Mr. GREEN. I change my vote. I vote "nay."

The VICE PRESIDENT. The Senator from Rhode Island votes "nay."

Mr. AIKEN. Mr. President, I demand the regular order. I also suggest that when a Senator votes, he do his own voting, and not let someone else suggest his vote.

The VICE PRESIDENT. The regular order has been demanded.

The yeas and nays resulted as follows:

YEAS—45

Aiken	Duff	Martin, Iowa
Anderson	Dworshak	Martin, Pa.
Barrett	Eastland	McClellan
Beall	Flanders	Pastore
Bender	Frear	Payne
Bennett	Goldwater	Potter
Bible	Hayden	Purtell
Bricker	Hickenlooper	Robertson
Bridges	Holland	Saltonstall
Bush	Ives	Smith, Maine
Butler	Jenner	Smith, N. J.
Capehart	Kennedy	Stennis
Case, N. J.	Knowland	Watkins
Cotton	Kuchel	Welker
Dirksen	Malone	Williams

NAYS—45

Allott	Hennings	Monroney
Barkley	Hill	Morse
Carlson	Hruska	Mundt
Case, S. Dak.	Humphrey	Murray
Chavez	Jackson	Neuberger
Clements	Johnson, Tex.	O'Mahoney
Curtis	Johnston, S. C.	Russell
Daniel	Kefauver	Schoeppel
Douglas	Kerr	Scott
Ellender	Langer	Sparkman
Ervin	Lehman	Symington
Fulbright	Long	Thurmond
George	Magnuson	Thye
Gore	Mansfield	Wiley
Green	McNamara	Young

NOT VOTING—5

Byrd	Millikin	Smathers
McCarthy	Neely	

The VICE PRESIDENT. On this vote, the "yeas" are 46, and the "nays" are 45. The amendment of the Senator from Vermont [Mr. AIKEN] is agreed to.

Mr. AIKEN. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The VICE PRESIDENT. The question is on the motion of the Senator from California to lay on the table the motion of the Senator from Vermont to reconsider the vote whereby the amendment was agreed to.

Mr. JOHNSON of Texas and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. KENNEDY (when his name was called). Mr. President, I have a pair with the junior Senator from Missouri [Mr. SYMINGTON]. If I were permitted to vote, I would vote "yea," and the Senator from Missouri would vote "nay." I withhold my vote.

Mr. PASTORE (when his name was called). Mr. President, I have a pair with the senior Senator from Georgia [Mr. GEORGE]. If I were permitted to vote, I would vote "nay." If he were voting, he would vote "yea." I withhold my vote.

The rolleall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from Georgia [Mr. GEORGE], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that the Senator from West Virginia [Mr. NEELY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent, and, if present and voting, he would vote "yea."

The result was announced—yeas 46, nays 41, as follows:

YEAS—46

Aiken	Dirksen	McCarthy
Allott	Duff	Payne
Anderson	Dworshak	Potter
Barrett	Eastland	Purtell
Beall	Flanders	Robertson
Bender	Goldwater	Saltonstall
Bennett	Hickenlooper	Schoeppel
Bible	Holland	Smith, Maine
Bricker	Hruska	Smith, N. J.
Bridges	Ives	Stennis
Bush	Jenner	Watkins
Butler	Knowland	Welker
Capehart	Kuchel	Wiley
Case, N. J.	Malone	Williams
Cotton	Martin, Iowa	
Curtis	Martin, Pa.	

NAYS—41

Barkley	Hennings	McNamara
Carlson	Hill	Monroney
Case, S. Dak.	Humphrey	Morse
Chavez	Jackson	Mundt
Clements	Johnson, Tex.	Murray
Daniel	Johnston, S. C.	Neuberger
Douglas	Kefauver	O'Mahoney
Ellender	Kerr	Russell
Ervin	Langer	Scott
Frear	Lehman	Sparkman
Fulbright	Long	Thurmond
Gore	Magnuson	Thye
Green	Mansfield	Young
Hayden	McClellan	

NOT VOTING—8

Byrd
George
Kennedy

Millikin
Neely
Pastore

Smathers
Symington

So the motion to lay on the table was agreed to.

The VICE PRESIDENT. The Chair wishes to announce that on the previous vote—

Mr. JOHNSON of Texas. Mr. President, the Senator from Texas would like to make the unanimous-consent request that in view of the record there be a recapitulation of the vote on the Aiken amendment, and that the name of each Senator be called. The record at the desk showed a majority of one vote one way, while the record of the teller at the table showed a majority of one vote the other way.

Therefore, I should like to ask unanimous consent that there be a recapitulation of the vote on the Aiken amendment, so that each Senator may know how he was recorded, and so that the RECORD may show the correct tabulation.

The VICE PRESIDENT. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object, if there is to be a recapitulation at this time, I am not certain as to the parliamentary situation with which the Senate would be confronted.

The VICE PRESIDENT. The Chair understands, the Senator from Texas is, in effect, asking that the Senate return to the vote on the Aiken amendment in order to have a recapitulation of that vote. The recapitulation, once it has been announced, will be, in effect, the vote which will be recorded in the records of the Senate.

Mr. KNOWLAND. Mr. President, I shall take the responsibility for what I am about to say. Certainly no one wants the result in the Journal to be different from the votes which Senators of the United States cast. I would not interpose a parliamentary objection to a recapitulation in order to ascertain what the judgment of the Senate was at that point.

Mr. JOHNSON of Texas. That is characteristic of the minority leader. I appreciate his attitude very much. I have no doubt that the record is correct. I think every Senator who has a doubt should be able to have it resolved.

The VICE PRESIDENT. The Chair also wishes to make another parliamentary ruling, namely, that once the recapitulation has been made, no Senator may change his vote. The recapitulation will stand as it is.

Mr. JOHNSON of Texas. Mr. President, will the Chair announce that an error was made in the announcement of the vote?

The VICE PRESIDENT. The Chair will announce that the teller informed the Chair, after the vote on the motion to lay on the table had begun, that apparently an error had been made in the announcement of the vote on the Aiken amendment.

As a matter of fact, the error, according to the teller, as he has informed the Chair, was in the result the teller gave the Chair, when, as a matter of fact the

vote was a tie. So the Chair thinks a recapitulation would be well in order.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Indiana will state it.

Mr. CAPEHART. Do I understand correctly that no Senator may change his vote; that the RECORD will show how each Senator voted, and that the recapitulation relates purely to a matter of addition?

Mr. JOHNSON of Texas. Each Senator will be on his honor to state how he voted.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Vermont will state it.

Mr. AIKEN. Do I understand correctly that no Senator may change his vote on recapitulation, and that a Senator who did not vote may not now vote?

The VICE PRESIDENT. There will be no new votes.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. I do not know what the recapitulation will show; but if the recapitulation shall show a tie vote, will the parliamentary situation then be as it would have been at that point if a tie vote had been announced?

The VICE PRESIDENT. That is correct; and the Vice President then would have one of those rare opportunities to break a tie.

Mr. JOHNSON of Texas. Mr. President, I should say for the information of the Senate that the tellers at the table on the majority side showed the vote to be 46 to 45 one way. The teller at the desk showed the vote to be 46 to 45 the other way.

A question was raised, and when the tellers at the desk examined their lists, they said the result was a tie, and they so informed the Vice President after the vote had begun on the motion to reconsider.

So I think every Senator would want the true results to be known.

Mr. KNOWLAND. I do not think there is any doubt about that. All of us want the judgment of the Senate to stand.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and the teller will recapitulate the vote on the Aiken amendment.

The LEGISLATIVE CLERK. Senators voting in the affirmative: Messrs. AIKEN, ANDERSON, BARRETT, BEALL, BENDER, BENNETT, BIBLE, BRICKER, BRIDGES, BUSH, BUTLER, CAPEHART, CASE of New Jersey, COTTON, DIRKSEN, DUFF, DWORSHAK, EASTLAND, FLANDERS, FREAR, GOLDWATER, HAYDEN, HICKENLOOPER, HOLLAND, IVES, JENNER, KENNEDY, KNOWLAND, KUCHEL, MALONE, MARTIN of Iowa, MARTIN of Pennsylvania,

McCLELLAN, PASTORE, PAYNE, POTTER, PURTELL, ROBERTSON, SALTONSTALL, Mrs. SMITH of Maine, Messrs. SMITH of New Jersey, STENNIS, WATKINS, WELKER, and WILLIAMS.

Senators voting in the negative: Messrs. ALLOTT, BARKLEY, CARLSON, CASE of South Dakota, CHAVEZ, CLEMENTS, CURTIS, DANIEL, DOUGLAS, ELLENDER, ERVIN, FULBRIGHT, GEORGE, GORE, GREEN, HENNINGS, HILL, HRUSKA, HUMPHREY, GREEN, JOHNSON of Texas, JOHNSTON of South Carolina, KEFAUVER, KERR, LANGER, LEHMAN, LONG, MAGNUSON, MANSFIELD, McNAMARA, MONRONEY, MORSE, MUNDT, MURRAY, NEUBERGER, O'MAHONEY, RUSSELL, SCHOEPPPEL, SCOTT, SPARKMAN, SYMINGTON, THURMOND, THYE, WILEY, and YOUNG.

The VICE PRESIDENT. On this vote, the recapitulation shows—yeas 45, nays 45. The Chair votes "yea."

Mr. GORE. Mr. President, a point of order.

The VICE PRESIDENT. The Senator from Tennessee will state it.

Mr. GORE. The vote has been taken. No Senator may change his vote; neither may the Vice President now vote.

The VICE PRESIDENT. The Chair thinks if the Senator will read the Constitution, he will find that the Vice President can always break a tie in the Senate.

The Chair votes "yea"; and the precedents, according to the Parliamentarian, are to that effect.

So Mr. AIKEN's amendment was agreed to.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the record as to the previous motion to reconsider, which was followed by a motion to lay on the table, stand as the judgment of the Senate.

The VICE PRESIDENT. Is there objection?

Mr. RUSSELL. Mr. President, reserving the right to object, does that mean the RECORD will show how each Senator voted on the amendment and how he finally voted on the motion to reconsider?

Mr. KNOWLAND. Surely; instead of making a new motion to reconsider.

Mr. KEFAUVER. Mr. President, I call up the amendment identified as 3-5-56—D.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, between lines 14 and 15, it is proposed to insert the following:

GRADUATED PRICE SUPPORT LEVEL

SEC. 103. Section 101 (d) of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following:

"(8) The support price available to any producer in any calendar year for any basic agricultural commodity, other than tobacco, shall be adjusted as provided in the following table as the gross income, including proceeds of price-support loans, of such farm from the disposition of agricultural commodities produced on such farm increases:

"If the loan or purchase would increase the gross income, including proceeds of price support loans, from the disposition during the calendar year of agricultural commodities produced on the farm to an amount—	The support price shall be the following percentage of parity:
Not exceeding \$7,000.....	100
Exceeding \$7,000 but not exceeding \$20,000.....	90
Exceeding \$20,000 but not exceeding \$50,000.....	75"

Mr. FLANDERS. Mr. President, may we have the number of the amendment which is now before the Senate?

The PRESIDING OFFICER (Mr. BENDER in the chair). It is identified as 3-5-56—D.

Mr. KEFAUVER. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY] and myself, I call up the amendment, realizing that since the Senate has rejected a 90 percent support program, the amendment may not be adopted, but I at least wanted to give the Members of the Senate an opportunity to take some affirmative action on behalf of the small farmers of the Nation.

Mr. President, in the beginning of this country, President Thomas Jefferson said that the most stabilizing influence in the Nation was the small farmer. President Abraham Lincoln said that he felt the Nation would be secure as long as most of the land was owned, operated, and farmed by the small farmers; that they were the stabilizing influence of this Nation.

Mr. President, it is reported that in the past 3½ years 1 million small farmers have had to go out of business because they were unable to make a financial success of farming.

We all know that on small parcels of land we have seen farm families of whom it was said that their children were going to leave the farm and go into industry or business, because it was impossible to make ends meet on a small family-sized farm.

Mr. President, the purpose of the amendment is to give some benefit and assistance to the small farmers. That would be done by establishing a graduated scale for determining the price-support eligibility of farm operators. My amendment provides that the first \$7,000 of sales by any farm operator shall be supported at 100 percent of the parity price; additional marketings up to \$20,000 would be supported at 90 percent of the parity price, and additional marketings up to \$50,000 would be supported at 75 percent of the parity price.

I have made a study of this matter. I was encouraged when President Eisenhower sent up a recommendation for us to incorporate that principle in this year's farm bill. But when I heard that he had refused to back up his proposal with any suggested legislative language, I realized that this was just gesture, without real substance. It reminded me

of the promise he made as a candidate for President in 1952 of full parity for farmers. I am afraid he allowed Mr. Benson to talk him out of both of them.

None of the economists I have talked with can say that a fully adequate family farm is just so much in acreage size and no more. I do know that the Bureau of Census figures show that only 6 percent of the commercial farms in Tennessee had gross sales of all products in 1954 of more than \$7,000, and only 1 percent of Tennessee's commercial farms had gross sales in 1954 of more than \$20,000. Nationwide, only 24 percent of commercial farms had gross sales of more than \$7,000, and only 8 percent had sales of more than \$20,000. Under my amendment, 117,942 Tennessee farms and 2½ million farms in the United States would be eligible for 100 percent of parity protection, even if all commodities were under the program. Most of the rest would receive a blended average of 100 and 90 percent of parity. Under my amendment, only 1,500 farms in Tennessee and 284,000 over the entire Nation would not be eligible for 90 and 100 percent of parity, and all of them would receive 100 percent supports on the first \$7,000 of sales, and 90 percent supports on additional sales, up to \$20,000 in any one year.

Adoption of my amendment would remove the Federal subsidization of the huge industrial farms, and lessen the impact of their unfair competition against the family farm, whose income protection would be made more adequate. The Federal Government should not encourage the growth of factories-in-the-field. Family farms are conducive to the preservation of the American democratic free enterprise system. Industrialized agricultural units, whether corporate or individually owned or State-owned collectives, are basically inimical to the national well-being.

On the family farm, the family itself supplies most of the labor, management, financing, and capital ownership. Even on the largest family farms, the family supplies most of the manual labor. However, on industrialized agricultural units, most of the labor, and on State-owned collectives all of the labor, is provided by hired hands. Under the latter circumstances, the economic functions are split, and farming loses its integrated, cohesive nature. If such units were widespread within an economy, society would lose a major balancing force for political and social stability.

Government agricultural programs certainly should be designed and administered in such a way that the most precious ideals of free men in a free society are not damaged. This limitation on the size of price-support loans would remove one of the unfair items in the present agricultural situation, and would strengthen the whole.

Mr. President, if there are no other requests for time, I desire to state that I respectfully hope that this gesture, at least, may be seriously considered by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment of the Senator from Tennessee [Mr. KEFAUVER].

Mr. AIKEN. Mr. President, I wish to say that I do not think this is a very good amendment. It would establish three sets of support prices in the same community. That could cause a great deal of confusion.

The PRESIDING OFFICER. The time is under control. Is time yielded to the Senator from Vermont?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, there have been many suggestions about graduating price supports for producers; and this amendment is one of those proposals—namely, to give part of the producers in a county one support price, and to give another part another support price, and to give still another part a third support price. To say the least, that would cause confusion in the market in any community and in the Nation. I do not see how such an arrangement could possibly work.

So, Mr. President, I hope the amendment will be rejected.

Mr. ELLENDER. Mr. President, this amendment provides for the making of production payments to farmers for the purpose of supporting the prices of hogs and cattle.

The amount of any such payment would be based on the difference between the average market price during the marketing season and a varying percentage of the parity price in accordance with the table contained in the amendment. Under this table, the percentage of the parity price would be 100 if the gross income of the farm, including proceeds of price-support loans or payments, did not exceed \$7,000; 90 percent, if gross income was between \$7,000 and \$20,000; and 75 percent, if gross income was between \$20,000 and \$50,000. No payments could be made if the gross income exceeded \$50,000.

Although the amendment is silent as to the time of making the payments, it apparently contemplates that the payments will be made at the end of the year, since it is necessary, in order to determine the amount of the payments, to know the average market price for the marketing season and the gross income of the farm.

The total live weight of cattle and calves marketed annually runs about 25 billion pounds, and the total live weight of hogs runs about 20 billion pounds. On the basis of these marketings, production payments would run about \$450 million for each cent per pound of payment. Of course, the amendment limits the amount payable for any farm, but the extent to which this would limit the cost of the program cannot be known at this time; nor can we know the number of additional farms that would go into hog or cattle production if this amendment were adopted, or the number of additional pounds that would be produced. If an amendment

of this type were adopted, some control of production would have to be devised; but no satisfactory program has been suggested, and any effective program would be unpopular with hog and cattle producers who generally are opposed to price supports and controls.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. KEFAUVER]. [Putting the question.]

The amendment was rejected.

Mr. DANIEL. Mr. President, on behalf of myself and my colleague [Mr. JOHNSON of Texas], I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, in line 21, after the period, it is proposed to insert the following:

In determining past production of a commodity for such purposes in any area in which, because of flood, drought, or other natural disaster, the production of such commodity shall have fallen below 35 percent of the normal production thereof for 2 successive years, such years shall be excluded.

Mr. DANIEL. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 10 minutes.

Mr. DANIEL. Mr. President, this amendment simply provides that in determining past production of commodities under the acreage-reserve program of the Soil Bank Act, years in which production has fallen below 35 percent of normal, because of flood, drought, or other natural disasters, shall be excluded from consideration if such conditions prevailed for at least 2 successive years.

As presently written, the committee bill would authorize the Secretary of Agriculture to determine the rate of compensation for taking land out of production which "will provide producers with a fair and reasonable return," and several factors are listed for the Secretary to consider. According to the tentative plans for implementing the soil bank, as outlined on page 15 of the committee report, compensation would be based on a normal yield for each farm, adjusted for a community and county average. There is a fear that these figures—the county and community averages and the normal yield for each farm—might be based on production from 1951 to 1955, or over some such period.

As we all know, in great areas of the Southwest, including western Kansas, eastern Colorado, parts of Oklahoma, and a good portion of Texas, farmers have experienced a prolonged and severe drought. For them, "average production" over the past few years has been well below "normal production"; and their financial condition is even more precarious than that in other farming areas of the United States. At least some of these farmers would like to participate in the acreage-reserve program, but they will be penalized further if their return is figured on average production

in recent years. This should not be done, and it may not be intended by the authors of the bill.

However, I do not find in the bill anything to exclude such drought or flood years from that consideration. For this reason, Mr. President, I think the matter should be clarified by means of this amendment; and that is the purpose of the amendment.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield to me?

Mr. DANIEL. I yield to the distinguished Senator from Louisiana.

Mr. ELLENDER. Mr. President, I have read the amendment. I do not think it is really necessary. The Secretary of Agriculture would have the right to take into consideration the flood or drought conditions or any other natural disaster which had substantially affected production.

Under the bill, the Secretary of Agriculture is given very broad authority to use his own judgment and to pay compensation which would retire allotted acres into the acreage reserve program. He would not have to take into consideration any specific period or number of years—2 or 3, for instance—during which there were floods or any periods in which there was drought, in determining the normal production from such acreage.

Mr. DANIEL. I am sure the Senator from Louisiana understands that what I should like to have is some assurance that drought years will not be figured in connection with the determination of normal production. Can the Senator give us some assurance in that respect?

Mr. AIKEN. Mr. President—

Mr. DANIEL. I yield to the Senator from Vermont.

Mr. AIKEN. I will say that when we were formulating the bill the matter was discussed in the committee with the officials of the Department of Agriculture. It is thoroughly understood that if a community suffers from drought or other disaster, and if it has a crop failure or almost a crop failure, full allowance will be made, and that year will not be counted in arriving at the average production over a period of years. Certainly the committee understands that such bad years of crop failure will not be used in computing the average yield.

Mr. DANIEL. Do I correctly understand that the officials of the Department of Agriculture so testified before the committee?

Mr. AIKEN. Yes, before the committee; I will not say that testimony is on the record, however. I think it was testified when they were discussing these things with the committee in executive session.

Mr. HUMPHREY. Yes.

Mr. AIKEN. But the Senator from Minnesota and I thoroughly understood that disaster conditions—flood years and drought years and short crops from similar causes—would not be considered in connection with this matter.

Mr. DANIEL. Does the Senator from Vermont understand that is the intent?

Mr. AIKEN. That is the intent of the proposed legislation, insofar as I am concerned.

Mr. DANIEL. Is that also the understanding of the chairman of the committee?

Mr. ELLENDER. That is my understanding.

Mr. HUMPHREY. Mr. President—

Mr. DANIEL. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I recall that in the committee that was discussed by the Senator from Vermont; and I think the Senator from South Dakota [Mr. MUNDT] also discussed it. It was our understanding—and I believe the Under Secretary or some other representative of the Department was there at the time—that the very provisions mentioned in the amendment of the Senator from Texas were the intent of the committee and the understanding of the Department.

Mr. AIKEN. Of course it would be very unjust to penalize a farmer because he had suffered disaster for 1 or more years.

Mr. HUMPHREY. That is true.

Mr. DANIEL. Then the disaster years would not be taken into consideration in computing normal production.

Mr. AIKEN. That is my understanding.

Mr. DANIEL. In view of this colloquy and the clear understanding on the part of the chairman of the committee, the ranking minority member [Mr. AIKEN], and the Senator from Minnesota [Mr. HUMPHREY], that it is the intention of this legislation to exclude disaster years, I agree with them that probably the amendment is unnecessary, and I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I call up my amendment designated "2-27-56-I."

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Is that a very long amendment?

Mr. HUMPHREY. No; and I do not intend to speak long on it.

Mr. AIKEN. I have a technical amendment to which I am sure there will be no objection. I should like to get rid of it.

Mr. HUMPHREY. I yield to the Senator from Vermont, if I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It is designated "2-27-56-C."

The PRESIDING OFFICER. The amendment offered by the Senator from Vermont will be stated.

The CHIEF CLERK. On page 29, line 13, it is proposed to strike all of the section after the words "per annum" and insert: "Whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont.

Mr. HUMPHREY. Mr. President, I understand this is merely a rewording of the section pertaining to the Surplus Disposal Administrator.

Mr. AIKEN. That is correct. We inadvertently left the Surplus Disposal Administrator outside the jurisdiction of the Secretary of Agriculture.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. KEFAUVER. Would this amendment affect the distribution of food by the Secretary for emergency relief?

Mr. AIKEN. No.

Mr. KEFAUVER. I have an amendment dealing with the emergency relief program.

Mr. AIKEN. I do not think this amendment has anything to do with the subject. I am familiar with the Senator's amendment. This amendment has nothing to do with it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HUMPHREY. As I understand the Aiken amendment, it is merely to bring the new position which we created under the jurisdiction of the Secretary.

Mr. AIKEN. The Senator is correct.

Mr. HUMPHREY. We left him hanging on a limb by himself.

Mr. AIKEN. That is correct. We do not want the Congress dealing directly with the Surplus Disposal Administrator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN].

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I now offer the amendment which I send to the desk and ask to have stated. It is designated "2-27-56-I."

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be stated.

The CHIEF CLERK. On page 4, between lines 22 and 23, it is proposed to insert the following:

LIMIT ON PRICE SUPPORT

SEC. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$25,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

On page 4, line 24, it is proposed to strike out "107" and insert "108."

Mr. HUMPHREY. Mr. President, first I should like to ask the distinguished chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], if there is some understanding that there will be no more yea-and-nay votes tonight, and if for that reason, therefore, some of our colleagues have gone to their offices or left the Chamber for other purposes.

Mr. ELLENDER. That is correct. I did make such a statement. I thought that from this point on during the remainder of the evening, if there were any technical amendments or other amendments which could be disposed of without a record vote, we could take care of them.

Mr. HUMPHREY. I ask the Senator if we may come to an understanding that my amendment shall be the pending question beginning on Monday.

Mr. ELLENDER. Yes.

Mr. HUMPHREY. Two or three Senators have expressed a desire to vote upon it. I now gather that they may have gone home.

Mr. ELLENDER. That is correct. I may state that earlier in the day an amendment was offered by the distinguished junior Senator from Illinois [Mr. DIRKSEN] to strike from the bill the provision with respect to a two-price program for rice. At my suggestion he withdrew that amendment, on condition that it would be placed before the Senate on Monday soon after the Senate convenes, provided no other amendment was then pending. So, under the agreement which we have, I suggest that the amendment of the Senator from Minnesota remain pending, and on Monday, as soon as we complete action on his amendment, we can proceed with the rice amendment.

Mr. HUMPHREY. Is it the understanding of the Senator that there will be no further yea-and-nay votes this evening?

Mr. ELLENDER. That was the understanding I had with a number of Senators who desired to leave the Chamber.

Mr. HUMPHREY. Then there is a gentlemen's agreement that we should refrain from bringing up amendments on which we would like to have a yea-and-nay vote?

Mr. ELLENDER. That is correct.

Mr. HUMPHREY. I wish to respect the wishes and judgment of the Senator from Louisiana. I ask only that my amendment be the pending question on Monday.

Mr. WILLIAMS. Mr. President, reserving the right to object to that amendment being the pending question on Monday, it is my understanding that the Senator from Illinois [Mr. DIRKSEN] has been promised that his amendment will be the pending question on Monday.

Mr. ELLENDER. I told the Senator from Illinois that after we had completed action on any pending amendment upon which we did not complete action today, his amendment would be taken up.

The PRESIDING OFFICER. The Chair understands that the pending

question on Monday will be the amendment offered by the junior Senator from Illinois.

Mr. ELLENDER. I had an understanding with the junior Senator from Illinois that his amendment would be taken up Monday after the Senate had completed action upon any amendment then pending.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. As I understand, the Senator from Minnesota [Mr. HUMPHREY] has offered his amendment, and it is now the pending question.

The PRESIDING OFFICER. It is the pending question.

Mr. JOHNSON of Texas. If the Senate, pursuant to an order previously entered, should adjourn or recess until Monday, the amendment of the Senator from Minnesota would be the pending question, following the morning business.

The PRESIDING OFFICER. The majority leader is correct.

Mr. JOHNSON of Texas. Then, Mr. President, if the leaders have agreed that there will be no further yea-and-nay votes tonight, if the Senator from Minnesota wishes the yeas and nays on his amendment, he can ask for them at this time, and the yeas and nays can be ordered on his amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. I assume, of course, that this arrangement is consonant with the understanding had today with the chairman of the committee, that if there were a pending amendment when the Senate convened on Monday, it would take precedence over my amendment.

Mr. ELLENDER. The Senator is correct.

The PRESIDING OFFICER. The majority leader is correct; the junior Senator from Illinois is correct; and the Senator from Louisiana is correct. The pending amendment is the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

Mr. JOHNSON of Texas. Mr. President, that is a good note upon which to end the day. However, I should like to make another parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. I understand that the distinguished Senator from Tennessee [Mr. KEFAUVER] has certain amendments on which he will not ask for the yeas and nays. Would it be in order for him to ask unanimous consent temporarily to lay aside the pending amendment and consider his amendments, with the understanding that when his amendments are acted upon the Senate will resume consideration of the pending amendment?

The PRESIDING OFFICER. Such a request would be in order.

Mr. CAPEHART. Mr. President, reserving the right to object—

Mr. KEFAUVER. Mr. President, I call up my amendment designated "2-24-56-C."

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of the amendment just identified by the Senator from Tennessee.

Mr. CAPEHART. I object.

Mr. JOHNSON of Texas. Then, Mr. President, pursuant to the order previously entered, I move that the Senate stand in recess—

Mr. KEFAUVER. Mr. President, will the Senator withhold that motion?

Mr. JOHNSON of Texas. Certainly. I yield to my friend from Tennessee.

Mr. KEFAUVER. Mr. President, I was very anxious to offer two amendments. I wish the Senator from Indiana would withdraw his objection.

Mr. CAPEHART. The Senator merely wants to offer them. He does not want a yea-and-nay vote. He has no idea of having them adopted. He wants to take up space in the RECORD and time of the Senators, without any idea of getting the amendments adopted. It is very simple to me. I can see through it plainly. If the Senator wants to offer them and have a yea-and-nay vote on them, it is all right with me. I certainly cannot go along with the idea that we should permit him to offer them with no idea of having any vote on them. He has no idea of getting them adopted. He does not believe in them himself. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KEFAUVER. Mr. President, with respect to the two amendments I was going to offer, I thought the chairman of the committee might accept them, because they are minor amendments and have to do with putting woodland together in connection with the soil bank program, so as to prevent the necessity of building separate fences. It is not in line with the suggestion of the Senator from Indiana.

Mr. CAPEHART. Mr. President, will the Senator speak louder, please?

Mr. KEFAUVER. The amendments I was going to offer have considerable merit. I thought the chairman might agree to accept them, and then it might not be necessary to have a yea-and-nay vote on them. I am offering them in good faith, but if the Senator objects—

The PRESIDING OFFICER. Does the Senator from Minnesota yield time to the Senator from Tennessee?

Mr. HUMPHREY. I did not understand the Chair's statement.

The PRESIDING OFFICER. Does the Senator from Minnesota yield time to the Senator from Tennessee? The Senator from Tennessee will have to obtain some time if he desires to speak on his amendments.

Mr. HUMPHREY. I shall be very happy to yield whatever time the Senator from Tennessee desires.

Mr. KEFAUVER. I only wanted time to say that I hope the Senator from Indi-

ana will allow me to offer the two amendments. If he objects, that is that.

Then I shall merely take time to send two bills to the desk and ask that they be appropriately referred.

The PRESIDING OFFICER. The bills will be received and appropriately referred.

The bills, introduced by Mr. KEFAUVER, were received, read twice by their titles, and referred, as indicated:

S. 3413. A bill for the relief of Radovan Mohorovich; to the Committee on the Judiciary.

S. 3414. A bill to provide for the advancement of Capt. Edward J. Steichen, United States Naval Reserve (retired), to the grade of rear admiral on the Naval Reserve retired list; to the Committee on Armed Services.

Mr. KEFAUVER. The bill—

Mr. CAPEHART. I understand that the able Senator would like to offer his amendments, knowing that he cannot have them adopted, so that he may get away to continue his campaigning. I withdraw my objection. He knows he cannot get them through, but we will vote on them.

Mr. HUMPHREY. Mr. President—

Mr. KEFAUVER. Just a minute. The Senator from Indiana is assuming something he has no right to assume. I had hoped to offer the amendments, because I believe them to be meritorious amendments, and because I want to offer them. I resent the inference of the Senator from Indiana that I would take the time of the Senate with something I did not believe had merit. Therefore, I will not offer them on that basis.

Mr. HUMPHREY. Mr. President, I believe this is most unfair. It is most unfair to cast such insinuations. If I can remedy the situation by withdrawing my amendment—

Mr. JOHNSON of Texas. I hope the Senator from Minnesota will not do that. We can get a unanimous-consent agreement, if the Senator will not do that.

Mr. President, I ask unanimous consent that we may consider the amendments of the Senator from Tennessee.

Mr. WILLIAMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Texas. I assume we will have to take up the amendments on Monday, unless the Senator wants to—

Mr. HUMPHREY. I believe a matter of common courtesy is involved here. The Senator from Tennessee does not have to explain where he is going to be on Monday, on Saturday, or Sunday, or Tuesday. He can be away on Wednesday, Thursday, and Friday. He does not have to explain to the Senate. If he wants to excuse himself from attendance on the Senate, that is his privilege. I should like to accommodate the Senator from Tennessee. I do not have the slightest idea what his amendment proposes to do. I ask unanimous consent that I may withdraw the amendment I have offered, which is the pending question, so that the Senator from Tennessee may proceed.

Mr. CAPEHART. Mr. President, I object.

Mr. MANSFIELD. I understand that the Senator from Minnesota may withdraw his amendment.

Mr. HUMPHREY. I withdraw it.

Mr. ELLENDER. The yeas and nays on the amendment of the Senator from Minnesota have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HUMPHREY. Am I not permitted to withdraw the amendment?

The PRESIDING OFFICER. The Senator may withdraw it by unanimous consent.

Mr. HUMPHREY. I ask unanimous consent.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KEFAUVER. Mr. President—

The PRESIDING OFFICER. The Chair recognizes the Senator from Tennessee.

MODIFICATION OF EXISTING PROJECT FOR THE GREAT LAKES CHANNELS ABOVE LAKE ERIE

Mr. JOHNSON of Texas. Mr. President, will the Senator from Tennessee yield to me briefly?

Mr. KEFAUVER. I yield.

Mr. JOHNSON of Texas. There is on the calendar H. R. 2552. The bill has been cleared with the distinguished minority leader and with the majority policy committee. I ask unanimous consent that the Senate proceed to its present consideration. It will take only a moment. It is Calendar No. 1658.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2552) to authorize the modification of the existing project for the Great Lakes connecting channels above Lake Erie.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the bill (H. R. 2552) was considered, ordered to a third reading, read the third time, and passed.

Mr. HUMPHREY. I thank the majority leader for expeditious action on one of the truly great projects of our Nation. Every person in Minnesota, Wisconsin, and Michigan, and other parts of the great heartland of America will be deeply appreciative.

Mr. JOHNSON of Texas. I thank the Senator. The very able Senator from Michigan [Mr. McNAMARA] brought the matter to our attention several times. I am glad the Senate in its wisdom decided to pass the bill.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. KEFAUVER. Mr. President—

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. KEFAUVER. I had previously asked permission to introduce two bills.

The PRESIDING OFFICER. The bills were received, read twice by their titles, and referred to the appropriate committees.

Mr. KEFAUVER. One bill is in connection with—

Mr. CAPEHART. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The regular order is that the Senator from Tennessee has the floor for the purpose of offering an amendment.

Mr. CAPEHART. I ask for the regular order, that the Senator offer his amendment. If he does not intend to do so, other Senators will offer amendments.

Mr. KEFAUVER. Mr. President, I call up my amendment 2-24-56-C.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 11, between lines 22 and 23, it is proposed to insert the following:

(c) In order to promote best land utilization and conservation and permit good farm management, the Secretary may authorize the consolidation of acreages withheld from cultivation for purposes of participation in the acreage-reserve program, and he shall permit the transfer between any farm operated by a producer and any other farm operated by the same producer, either alone or together with one or more other producers (including a farm acquired for the sole purpose of effectuating such a consolidation), of all or any part of any acreage allotment of either such farm. No such transfer shall affect future acreage allotments for any farm from or to which any such transfer is made.

Mr. KEFAUVER. Mr. President, the purpose of my amendment is to enable a number of farmers who are eligible to participate in the acreage reserve to pool their reserve acreages, acquire an adjoining or nearby farm and establish their joint soil bank on that farm, on a cooperative basis.

The acreage reserve is not designed to be of any material assistance to farmers in helping to raise their incomes. The acreage reserve is just a means whereby farmers can assist the Secretary of Agriculture to reduce the inventory of Commodity Credit Corporation by sales into the domestic United States market without completely destroying prices in such markets. I feel that farmers might be willing to cooperate to this end with the Secretary, if the payments involved are large enough per acre and if participation can be worked out without being too great a hardship upon the farming program of the individual farm family.

Acceptance of this amendment would mean that several neighbor farmers, each of whom are eligible to participate in the acreage reserve could join together into a cooperative, purchase or lease an adjoining farm or farms where the present operator desired to leave, and which farm has had assigned to it a certain acreage allotment of the covered crops. These farm families could then, under the proposed amendment, put all of their eligible acreage reserve acreage together and concentrate them upon the other farm and each would be enabled to participate in the acreage re-

serve to the extent of the limitation imposed by the acreage allotment on his own farm. Thus the individual farmer would not have to block off and specially fence an area of land in the middle of the farm he is now operating according to a planned rotation and land utilization program. The individual farmer could continue to operate on his own farm as he had planned to do, and could participate in the acreage reserve on the adjoining or nearby land, leased or bought in cooperation with other like-minded neighbors.

If this amendment were incorporated into the acreage reserve legislation, it would mean that in many areas of the Nation, the acreage reserve acreages would be set aside in large blocks, instead of many scattered small blocks, a little on each farm. The gains from a conservation standpoint are obvious. In the larger blocks, much better provision could be made for adequate wildlife cover. Prevention of grazing by commercial domestic livestock would be made much easier. Such areas could be made more easily and more safely available for public hunting and fishing than if they are in little scattered blocks of acreage reserve on every farm.

Frankly, I do not believe that the soil bank acreage reserve proposal is very sound. I see no reason why the Nation should be paying out \$750 million a year to reduce wheat, cotton, corn, rice, and tobacco acres to 30 percent less than annual needs for exports and domestic consumption. I do not believe that we should put on the shoulders of farmers, the public relations load for justifying the expenditure of the Federal Government of any such sum as this and its acceptance by farmers, when farmers themselves would not be getting any benefits whatsoever out of it. But if the acreage reserve is to be enacted, the least we can do is to make it contribute as much as we can to sensible conservation management and to be as little a burden as possible on farm people, whose incomes continue to drop below the disaster levels of last year.

Mr. President, we are told that no alternative use is planned whatsoever for the acreage reserve land that is taken out of production. Presumably it is supposed to just lie idle, with a provision that noxious weeds are to be controlled. Reputable State agricultural experiment station agronomists and soils specialists have told the House Committee on Agriculture that such a procedure is exceedingly dangerous. That to do so runs the risk that the Government will be the promoting partner in the development of that many acres of an American wasteland. The scientists tell us that our farmland will quickly destroy itself if it is left idle from year to year. This is a serious matter, Mr. President, and the blame will be on the doorstep of the Senate if we enact such a program. The reason that the administration must come up here with such a preposterous proposal is that some of its own chickens have come home to roost. There are not enough cover crop seed to plant the estimated acreage reserve lands because 3 years ago the administration

abolished the price-stabilization program for cover-crop seed. Now we are so short of such seed that we must run the risk of making wasteland out of some of our best farmland. But that is not all. We cannot even have the acreage reserve planted to trees because there are not enough seedlings. And why are not there enough seedlings? Because the administration cut the Soil Conservation Service nurseries out of the budget several years ago. I have seen many of these abandoned nurseries in the different States. If these nurseries had been kept in operation we could be putting more land taken out of production into desirable conservation cover.

If the pending amendment is incorporated in the acreage reserve subtitle, it will not overcome the lack of cover crop seeds nor the shortage of tree seedlings, but it will at least enable a few neighbor farmers to block their acreage reserve into a single area where it can be better protected from destructive sheet erosion and where the land can be seeded to some kind of crops for which there is a supply of needed seed and then such crops can be turned under as a green manure crop even though the vegetative cover so used is not in the category of usual cover crops. It would be better to grow and plow down a crop of immature, thickly sown corn than to allow the land to lie bare. In the middle of many different farms such little blocks of acreage reserve would be nothing but a nuisance to the farm operator. But consolidated with the reserves of many neighbors such special management would become economical and feasible.

Mr. ELLENDER. Mr. President, this amendment would permit producers to transfer acreage allotments between farms operated by them—either alone or with others—including farms acquired for that purpose.

This amendment would nullify to a considerable extent the effectiveness of the acreage allotment and acreage reserve programs by permitting farmers to transfer their allotments to more productive lands, even across State lines, as for example from dry lands to irrigated lands. It would also complicate administration of both these programs by greatly increasing the recordkeeping required and requiring determinations as to the identity of farms operated by various producers.

Mr. President, I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER].

The amendment was rejected.

Mr. KEFAUVER. Mr. President, I have a very brief amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The LEGISLATIVE CLERK. On page 26, after line 21, it is proposed to add to section 302, the following:

(c) Food supplied by the Department to qualified private charitable agencies providing emergency relief may be without regard

to whether the food is consumed on the premises of the administering agency.

Mr. KEFAUVER. Mr. President, under the administrative rulings of the Department of Agriculture, food for charitable agencies must be consumed on the premises, which means that persons who are entitled to food under the program must bring their children to mess halls, and they are frequently put to a great deal of inconvenience to get to the place where they can obtain the food.

Furthermore, this program is operating effectively, or with any effect, only in the larger cities where mess halls can be established.

My amendment would authorize the Secretary of Agriculture, under rules which he may establish and where the situation justifies it, to relax the rule with regard to consuming the food on the premises, so that in certain situations where children or distances are involved, persons may be entitled to receive food and take it home to feed the children without having to bring the children to the mess hall.

I think it is a humanitarian effort. I think it is also an effort which will assure wider distribution in rural areas where no program has been established.

I think it will mean a wider distribution of food to be given to people who are deserving of it. Under the present program I am advised that the Secretary has felt that as the law is now written the food must be distributed and consumed on the premises. My amendment would merely authorize him, under certain circumstances, to give out food without its having to be eaten at the place where it is distributed.

I hope the chairman of the Committee on Agriculture and Forestry will accept my amendment.

Mr. ELLENDER. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. ELLENDER. Is the amendment contrary to the present regulations of the Secretary of Agriculture?

Mr. KEFAUVER. I have been in conference with an agency here which distributes some food under the Secretary's orders, and I am told that the Secretary has ruled that under the law the food must be eaten on the premises.

Mr. ELLENDER. It must be consumed on the premises?

Mr. KEFAUVER. Yes.

Mr. ELLENDER. Would the Senator's amendment lend itself to the distribution of surplus food for needy families?

Mr. KEFAUVER. To those who are already entitled to it under the present program, if the situation is such that they cannot consume the food on the premises.

Mr. ELLENDER. How would it be administered and policed?

Mr. KEFAUVER. I suppose it would be policed by rules and regulations of the Secretary of Agriculture. Representatives of the Department have spoken of the great hardship in having to bring children of tender age who need food to the place where it is distributed, under certain rules. If the rule could

be relaxed so as to enable mothers to take the food home to the children, it would be a much better program.

Mr. ELLENDER. Would not the Department have to maintain some kind of a commissary in order to administer it?

Mr. KEFAUVER. I do not know. Of course, the Secretary would not have to give away any food unless he wanted to, but if he is going to give it to the people at the premises, it seems to me that if mothers might take the food home to the children it would be a much better charitable program.

I hope the Senator will take the amendment to conference and consider it. I think it has considerable merit.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I call up my amendment "3-5-56-B" and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 25, between lines 14 and 15, it is proposed to insert the following:

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

SEC. 225. No lease executed, renewed, or permitted to extend beyond its earliest termination or cancellation date by any agency of the United States as lessor after the enactment of this act shall permit the lessee to produce on any land subject to such lease any agricultural commodity (other than livestock or livestock products) determined by the Secretary of Agriculture to be in surplus supply.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield for about 3 minutes?

Mr. WILLIAMS. I yield.

Mr. JOHNSON of Texas. Mr. President, I should like to yield 3 minutes to the junior Senator from Tennessee so that he may raise a parliamentary question which I think is rather serious, so far as the Senate is concerned. I ask the minority leader to give it attention.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, the Members of the Senate will recall that the Senator from Tennessee raised a point of order earlier today. I now have the transcript of the official report, from which I read:

The VICE PRESIDENT. On this vote, the "yeas" are 46, and the "nays" are 45. The amendment of the Senator from Vermont [Mr. AIKEN] is agreed to.

Mr. AIKEN. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The VICE PRESIDENT. The question is on the motion of the Senator from California to lay on the table the motion of the Senator from Vermont to reconsider the vote whereby the amendment was agreed to.

Mr. JOHNSON of Texas and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

The result was announced—yeas 46, nays 41.

Mr. JOHNSON of Texas. Mr. President, the Senator from Texas would like to make the

unanimous-consent request that in view of the RECORD there be a recapitulation of the vote on the Aiken amendment, and that the name of each Senator be called.

Mr. President, after some discussion—

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. KNOWLAND. Mr. President, I think, inasmuch as the Senator is attempting to build the record, I think he should go on and read the discussion, because it is quite pertinent to the Senate in bringing it back to its original parliamentary position.

Mr. GORE. It would be necessary for me to have a little more time.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the Senator from Delaware, I should like to yield additional time.

Mr. WILLIAMS. That is agreeable to me.

Mr. GORE. Continuing to read the remarks of the Senator from Texas:

The record at the desk showed a majority of one vote one way, while the record of the teller at the table showed a majority of one vote the other way.

Therefore, I should like to ask unanimous consent that there be a recapitulation of the vote on the Aiken amendment, so that each Senator may know how he was recorded, and so that the RECORD may show the correct tabulation.

The VICE PRESIDENT. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object, if there is to be a recapitulation at this time, I am not certain as to the parliamentary situation with which the Senate would be confronted.

The VICE PRESIDENT. As the Chair understands, the Senator from Texas is, in effect, asking that the Senate return to the vote on the Aiken amendment in order to have a recapitulation of that vote.

I digress from a reading of the RECORD to say that a recapitulation is not a reconsideration. A recapitulation is merely a recount.

Mr. KNOWLAND. If the Senator will allow me to interrupt him, I suggest that if he will proceed to read the rest of the RECORD, I think the RECORD will be clear that when unanimous consent was given, and the questions were asked, it was understood that the matter would revert to the parliamentary situation which would have existed at that point had the tellers at the desk announced the correct total.

The Vice President of the United States was in his Chair. It was not a situation in which the Vice President was in his office and had come to the Senate Chamber subsequently to cast a vote. He was presiding over the Senate of the United States. Had the correct tabulation been announced to him at that point by the teller at the desk, he had the constitutional power, which is greater than the power given under the Senate rules, to cast his vote.

So I submit that if the Senator from Tennessee will read the entire transcript of the proceedings, it will show that the parliamentary situation had reverted to precisely what it would have been had the tellers announced the correct vote to the Vice President.

Mr. GORE. I have read the transcript, and I shall be glad to accommodate the Senator from California by reading it into the RECORD. I may say, however, that the junior Senator from Tennessee does not understand the situation to be as the senior Senator from California has stated it. According to the RECORD, which I shall later read, the only unanimous-consent request which was made and the only unanimous consent which was granted was for a recapitulation.

Prior to the recapitulation, a motion, which I have read, was made to reconsider. A motion to lay that motion on the table was made. A yea-and-nay vote was had upon that motion. It was then too late to be reconsidered by the consent of the Senate. No consent for reconsideration was requested; only a recount was requested.

Mr. KNOWLAND. If the Senator will continue to read the discussion, he will find that that very question was raised. Prior to the granting of the unanimous consent, the minority leader asked what the parliamentary situation would be. He specifically asked the question as to whether the legislative procedure would be as it would have been prior to the vote having been announced.

Mr. GORE. I shall now read the statements by the senior Senator from California and the senior Senator from Texas, and shall then read the Vice President's answers in reply:

Mr. KNOWLAND. Mr. President, I shall take the responsibility for what I am about to say. Certainly no one wants the result in the Journal to be different from the votes which Senators of the United States cast. I would not interpose a parliamentary objection to a recapitulation in order to ascertain what the judgment of the Senate was at that point.

Mr. JOHNSON of Texas. That is characteristic of the minority leader. I appreciate his attitude very much. I have no doubt that the RECORD is correct. I think every Senator who has a doubt should be able to have it resolved.

The VICE PRESIDENT. The Chair also wishes to make another parliamentary ruling, namely, that once the recapitulation has been made, no Senator may change his vote. The recapitulation will stand as it is.

Mr. JOHNSON of Texas. Mr. President, will the Chair announce that an error was made in the announcement of the vote?

The VICE PRESIDENT. The Chair will announce that the teller informed the Chair, after the vote on the motion to lay on the table had begun, that apparently an error had been made in the announcement of the vote on the Aiken amendment.

I digress to point out that the error was noted only after the second yea-and-nay vote had been started.

Mr. KNOWLAND. The Senate was familiar with that fact.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Does the Senator from Tennessee make the point that the Chair and the minority leader made it abundantly clear that the recapitulation would not permit any Senator to change his vote, or would not permit any Senator who had not voted, to vote on the recapitulation, and that,

therefore, the Vice President would be entitled to no more right to vote after the recapitulation than a Member of the Senate who had not voted, would have had to vote? Is that the Senator's point?

Mr. GORE. That is my point. I maintain, further, that the only condition under which the Vice President could even have voted would have been for the Senate to have granted a reconsideration of the vote. Were that not the case, the Vice President could return next week from some trip and untie a vote which had been cast last week. Parliamentary rules are made to be observed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. KNOWLAND. I submit that the situation suggested by the Senator from Tennessee is not at all on a par with his last statement. The Vice President of the United States was in his chair. He has a constitutional power which is far greater than the power granted by the rules of the Senate. Article I, section 3, of the Constitution itself, provides:

The Vice President of the United States shall be President of the Senate, but shall have no vote, unless they be equally divided.

That is the constitutional power which the Vice President has.

I submit that the record clearly shows that when the unanimous-consent request to have a recapitulation was granted, it, in effect, vacated at that point the motion to lay on the table, because, if the Senator will continue to read from the transcript, after the Vice President of the United States had cast his vote and announced the result, I then asked unanimous consent that the yea-and-nay vote on the motion to reconsider be made the judgment of the Senate, and that request was granted by unanimous consent.

That, in and of itself, shows that the order had been vacated at that point and was reinstated after the announcement of the vote of the Senate by the Vice President, following which he cast the deciding vote.

Mr. GORE. The constitutional powers of the Vice President of the United States, like the constitutional powers of all officials of the United States, must be exercised at such time and place, and under such conditions, as those constitutional powers may prevail. I submit that after a vote has been taken, after a vote has been announced, after a motion has been made to reconsider that vote, and after a motion has been made to lay that motion on the table, and a yea and nay vote has been taken, it is then too late merely to ask for a recapitulation and thereby permit the vote to be changed by the Vice President.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. KNOWLAND. The fact of the matter is that as the vote was announced, due to an error by the teller at the desk, and had it not been for the unanimous-consent request which was

granted, the RECORD would have shown the vote as it was originally announced, based upon a majority for the Aiken amendment. The President of the Senate, who is the Vice President of the United States, obviously was not entitled to cast his vote.

It was only after the RECORD had been corrected and made clear that, under the Constitution, the Vice President had a right to cast his vote.

What the Senator from Tennessee is arguing is that because of a mistake by a clerk at the desk, the Presiding Officer of this body, the Vice President of the United States, should be deprived of his constitutional right to vote, merely because of an error in an announcement. I do not think the Senator from Tennessee wishes to contend that because a mistake had been made in an announcement, and the Senate, by unanimous consent permitted the reopening of the record for the reasons I stated, namely, that no one wanted to take advantage of a situation in which an obvious error had been made, the Vice President should be deprived of his right under the Constitution.

Mr. GORE. I say to the distinguished Senator from California that this is not a moral question; it is not a question of parliamentary procedure. The junior Senator from Tennessee is not undertaking to strip the Vice President of any constitutional power he has. What I am saying is that after a motion to reconsider has been made, and after a motion to reconsider a vote had been laid on the table by a yea-and-nay vote, the only way in which the Vice President could have cast his vote upon that question was for the Senate to grant its consent for reconsideration, and that had not been requested; only a request for recapitulation had been made.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HUMPHREY. The argument I shall make now is merely a matter of constitutional law and not a matter of what may finally prevail as to justice in this situation. But the point has been made by the minority leader that the Vice President has power over and above the rules of the Senate because he has a constitutional power, namely, on the right to vote:

The Vice President of the United States shall be President of the Senate, but shall have no vote unless they be equally divided.

On the basis of that language, it is true that when there is a tie vote, the Vice President has the deciding vote. So the minority leader is saying that the Vice President has a constitutional power which is greater than the rules and regulations which pertain to the Senate. But section 3 of article 1 states:

The Senate of the United States shall be composed of two Senators from each State . . . for 6 years; and each Senator shall have one vote.

Now, there is a constitutional power for Senators: "Shall have one vote."

We go back. The minority leader, in his colloquy, made it clear that any Senator who had not been here could not come in and vote on the recapitulation.

He further made it clear that any Senator who had voted could not change his vote.

Mr. GORE. And, further, I have quoted from the RECORD. The Vice President said:

The recapitulation will stand as it is.

Mr. HUMPHREY. That is correct.

The point I want to make is that if we can say that to a Senator, who has more affirmative power to vote than has the Vice President, because the language pertaining to the Vice President is, "but shall have no vote unless they be equally divided," and the language pertaining to a Senator is "each Senator shall have one vote," and if we deny that Senator the right to vote on recapitulation, we deny that Senator the right to vote in case he comes in during the recapitulation of the vote. From the Constitution, and from the colloquy that has taken place, I would say the Vice President had been ruled out by the colloquy and the rulings which had been established.

Mr. KNOWLAND. I think the situation would be that if that Senator had not been in the Chamber at the time and had shown up later, after the vote had been taken, or had come in during the recapitulation, he could not vote, because he was not there during the original instance. I think if the Vice President had been at some other point and had later come in, he could not have voted; but he was here, performing his duty. The Constitution says the only time he has a right to vote is when there is a tie. He has a right to exercise that right, but he does not know whether he has a right to vote until the vote has been announced. In other words, if there is a vote of 46 to 45, he cannot vote to tie it, and, in this instance, lose it, because a tie loses. The only time he has an opportunity to vote is if there is an announcement that there is a tie, at which time he votes. By the error at the desk, he could not vote and exercise his responsibility, because, under the announcement of the vote, he was not entitled to vote.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Tennessee and the minority leader may have not to exceed 10 minutes each to pursue this question further, without charging the time to either side.

Mr. BENDER. Mr. President, the Senator from Delaware has control of the time. Since we are being so constitutional, I point out that 6 minutes were yielded, and 17 minutes have been taken.

Mr. JOHNSON of Texas. I have always known the Senator from Delaware to be willing, eager, and able to speak for himself, and if he does not want to indulge us, I know he will say so. I hope he will extend his usual courtesy.

Mr. KNOWLAND. Mr. President, I understand that there are two precedents in the Senate directly on the point that has been raised tonight. I think it would be helpful, if it is agreeable to the Senator from Tennessee and the Senator from Minnesota, if we pursue the discussion, to have before us the precedents of the Senate, where situations somewhat comparable to this took place.

Mr. GORE. If the Senator will permit a brief statement, I shall comply with his request and suggestion.

A motion to reconsider the vote was laid on the table. That procedure was followed by the Senate. No unanimous consent request was made to vacate that procedure. That stands in the RECORD, as I have read it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HUMPHREY. As I said earlier, beyond the argument on what I think is the constitutional law, I think there is involved the question of fair play and justice. I recognize that the Vice President was not out of the Chamber, but was in the chair. I recognize what the Vice President would have done, as he did do. I think the Senator from Tennessee has made his point primarily on the basis of the rules and the law. I think that is the point which needs to be established. I think in the final disposition of the question there should be considered what I would call the matter of equity and comity among the Members of the Senate.

Mr. KNOWLAND. I think it was the clear indication of the Senate that when we got back to that point, it was understood that in order to get back to that point we had to vacate the procedure whereby the motion to reconsider was laid on the table. I gave as supporting evidence of that, the fact that after the whole transaction was renewed, I in effect made a new motion to lay on the table the previous motion of the Senator from Vermont to reconsider. At that point the Senate had control of the situation, because it had to proceed by unanimous consent. As a matter of fact, the question was asked by the Senator from Georgia [Mr. RUSSELL] as to whether the vote would be recorded at that point. So the Senate had control of the situation, had anyone desired to object then.

Mr. JOHNSON of Texas. Mr. President, I should like to say this, so my intentions in the matter may be abundantly clear. I must confess I was not aware that a situation like this would develop when I made my unanimous-consent request. I was informed the tally at the desk showed 46 to 45 for the amendment, and the tally at the table showed 46 to 45 against the amendment.

I said to the minority leader and to other Senators involved that I should like to have the correct vote of the Senators, and the only way I could do it was to ask for a recapitulation. The only way I could get a recapitulation was by unanimous consent, because we had already proceeded to the motion to reconsider. That consent was given.

It was not the intention of the majority leader to deprive the Vice President of any constitutional right or to permit any Senator to exercise a right he had not already exercised. The whole purpose was to determine the accurate count on the original vote on the Aiken amendment.

This is an interesting parliamentary question. I should like to hear the precedents on it, but I should not like the minority leader, the Senator from Tennessee, or anybody else, to think I was

misleading them when I asked for a true count of the votes of the Senators on each side.

It certainly was not the majority leader's intent to deprive the Vice President of his right. Obviously, he could not vote if the vote was 46 to 45. Obviously, he could vote if the vote was 45 to 45. He was prepared and eager and willing to vote if there was a tie, and I assume he is going to pay a big enough price for that vote without our making him pay more here tonight.

The VICE PRESIDENT. Will the Senator from Texas permit the Vice President to make a statement?

Mr. JOHNSON of Texas. I should like him to.

The VICE PRESIDENT. The Senator from Tennessee, very properly, has obtained the original record.

Mr. KNOWLAND. Mr. President—

The VICE PRESIDENT. The Chair wishes to make this one point, and he knows the Senator from Texas and the Senator from California will agree, that a unanimous-consent request, when it is granted, is, of course, governed by the agreements made, which the RECORD shows. That is all the Vice President wishes to say.

Mr. JOHNSON of Texas. Mr. President, I should like to add one other thing: The Vice President was attempting to make a statement when I asked for the unanimous consent, I think perhaps to point out the error that had been made.

I was insistent on proposing my unanimous-consent request. In courtesy to me, he permitted me to proceed with my statement. I do not know that that would change the situation any, but I know that did happen.

The VICE PRESIDENT. All that the Chair wishes to do is to state that the Chair has now read the complete transcript of the proceedings, and the Senator from California has that transcript. It seems to the Chair that in the transcript of the colloquy regarding the unanimous-consent request, we have a complete settlement of this issue.

Mr. KNOWLAND. I was just going to read the transcript of the proceedings, which appear to have been as follows:

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. I do not know what the recapitulation will show; but if the recapitulation shall show a tie vote, will the parliamentary situation then be as it would have been at that point if a tie vote had been announced?

The VICE PRESIDENT. That is correct; and the Vice President then would have one of those rare opportunities to break a tie.

Mr. GORE. Mr. President, will the Senator yield to me?

Mr. KNOWLAND. I yield.

Mr. GORE. That is a parliamentary ruling by the Chair, not an action by the Senate. The Senate had acted.

This is not a unanimous-consent request; this not an action by the Senate.

I wish to make it plain that I do not desire to deprive the Vice President of the right to vote. In that event he has

a constitutional right to do so. But the time when he had a right to do so passed.

I think the only fair thing, due to what I think was a mistaken ruling on the part of the Chair—the only fair thing for the Senate to do—is to reconsider, by unanimous consent, and to have the vote taken again, on Monday.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I think the statement the Senator has just read is extremely pertinent, because I think it was on the basis of that statement and the understanding that accompanied that statement on both sides of the aisle that the majority leader was given unanimous consent.

Mr. GORE. This was afterward.

Mr. KNOWLAND. No, this was before; the Senator did not read the whole. That is why I had a recollection—

Mr. JOHNSON of Texas. The Senator and I had some private conversation about the matter; and then the Senator publicly asked for a ruling. And on the basis of the ruling, he permitted unanimous consent to be granted.

Mr. KNOWLAND. Yes.

Mr. JOHNSON of Texas. I wish the Senator would repeat reading the ruling and the request that he made.

The VICE PRESIDENT. Before that is done, let the Chair point out—because the Chair remembers the sequence of events—that the Senator from Texas had requested unanimous consent. The Senator from California reserved the right to object. After reserving the right to object, the Senator from California, as the Chair understood, made a statement.

Mr. JOHNSON of Texas. That is correct.

Mr. BUSH. Mr. President—

Mr. HUMPHREY. Mr. President, will the Senator California yield to me, since I was involved in that colloquy?

Mr. KNOWLAND. Yes; but again I should like to read the transcript of the proceedings, because I think it is significant:

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. I do not know what the recapitulation will show; but if the recapitulation shall show a tie vote, will the parliamentary situation then be as it would have been at that point if a tie vote had been announced?

Mr. JOHNSON of Texas. What would it have been at that point if a tie vote had been announced? The Vice President would have been at liberty to cast his vote.

Mr. KNOWLAND. Yes; if a tie vote had been announced. But a tie vote would have had to be announced before the Vice President would have had the right to vote, in exercising his constitutional power.

I read further:

The VICE PRESIDENT. That is correct; and the Vice President then would have one of those rare opportunities to break a tie.

It was on this understanding that the entire sequence of the unanimous-consent requests went into effect; and I submit that that returned the parliamentary situation to precisely what it would have been if the error had not been made.

Mr. HUMPHREY. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. HUMPHREY. I think the Senator is right; and I also think there is the matter of elemental justice and fair play, even regardless of the letter of the agreements or the law, so to speak.

The point I was trying to raise earlier, for a matter of precedent, was whether the constitutional powers of the Vice President, in a situation so confused as this one became, are any greater than the constitutional powers of a Senator, in respect to voting. The truth is that the case of the minority leader has rested, as I recall, just on an understanding among those of us who were participating in the call for a recapitulation.

I must confess that while I was very much upset by the nature of the vote, there is no use in trying to kid ourselves about it. There was a tie vote on the issue or the question of agreeing to the Aiken amendment. There was a vote by the Vice President to break that tie; and I think the whole reason that we—I know that I was one who felt in the beginning that it was a tie vote; and I went to the majority leader, and said, "This is a tie vote; the vote has not been counted accurately."

In fact, I was protesting privately to the Senator from Kentucky, the Senator from South Carolina, and, in fact, the Senator from New Mexico. I said, "This vote is a tie vote."

And when we came to the point of discovering it was a tie vote, it was perfectly obvious to me what the Vice President was about to do.

Let me say that I am glad that if he chose to take the responsibility of voting, he voted as he did, for I shall mention it to a few people in Minnesota and in other parts of the country. [Laughter.]

Mr. KNOWLAND. Mr. President, for the record, I wish to say that after the recapitulation was had, the transcript of the proceedings lists the names of the Senators who voted. Then the following appears:

The VICE PRESIDENT. On this vote, the recapitulation shows—yeas 45, nays 45. The Chair votes "yea."

Mr. GORE. Mr. President, a point of order. The VICE PRESIDENT. The Senator from Tennessee will state it.

Mr. GORE. The vote has been taken. No Senator may change his vote; neither may the Vice President now vote.

The VICE PRESIDENT. The Chair thinks, if the Senator will read the Constitution, he will find that the Vice President can always break a tie in the Senate.

The Chair votes "yea"; and the precedents, according to the Parliamentarian, are to that effect.

Mr. President, I submit that at that point if the Senator from Tennessee had wanted to appeal from the decision of the Chair, he would have been at liberty to do so.

Mr. GORE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. GORE. Several of us have handled these pages, and I am not sure of the sequence they follow.

I submit that the parliamentary ruling rendered by the Chair in response to the first question the senior Senator from California raised was in error. However, even if it were correct, I now read another ruling the Vice President made, and this is on folio 787 of the transcript of the proceedings:

The VICE PRESIDENT. The Chair also wishes to make another parliamentary ruling, namely, that once the recapitulation has been made, no Senator may change his vote. The recapitulation will stand as it is.

I submit to the senior Senator from California that perhaps the junior Senator from Tennessee, due to long service in the other body, may be a stickler for the rules. I raised the point of order. I thought it was a valid point of order. The Vice President made a ruling with which I disagreed. Perhaps the Senator is correct in saying that at that point the junior Senator from Tennessee should have appealed from the ruling of the Chair. I think he is correct in that. That was the time when I should have done it.

But I submit that the record still stands incorrect; and I ask unanimous consent that the vote on the Aiken amendment be reconsidered on Monday.

Mr. KNOWLAND. Mr. President, I object.

Mr. HUMPHREY. Mr. President, will the distinguished minority leader yield to me?

Mr. KNOWLAND. I yield.

Mr. HUMPHREY. The only point I wish to make—and I hope this does not seem like trying to split thin hairs here—is that I agree with the minority leader as to the right of the Vice President to rule; but I must say that the Vice President ruled, in his statement as to why he was ruling, for the wrong reasons. I think it is very important for the RECORD to note that what was being said by the Vice President and the minority leader indicated that the right of the Vice President to rule and vote was based upon his constitutional power, rather than on the basis of the unanimous-consent agreement. I think this is very important for precedent purposes. It was the unanimous-consent agreement that gave the Vice President the right to vote in that situation, because of the manner in which the roll call had been stated earlier. I point out that what the minority leader said in the colloquy with the Vice President which he read indicated that the Vice President had the constitutional power to break a tie vote. He has such a power if he exercises it.

Mr. KNOWLAND. Yes; but he cannot exercise it unless it is announced as a tie vote.

Mr. HUMPHREY. He has it if he exercises it. Furthermore, there had been a motion to reconsider the vote and the motion to reconsider was tabled, and two full roll calls had gone through without any objection until the very end of the

second rollcall, after the result was announced, and someone discovered that there was something wrong with the vote. The only way the Vice President could be permitted to vote under those circumstances would be by a unanimous-consent agreement. He is not permitted to vote under such circumstances because of his constitutional powers. That is what I am trying to get across.

Mr. JOHNSON of Texas. Mr. President, I hope we shall always be granted such consent when it is requested, just as the majority leader was granted that consent tonight. The distinguished minority leader had won his battle. He had the votes. The majority leader made a plea to him to see that each Senator was correctly recorded. The minority leader granted that request on the basis of an understanding. The understanding was that if a tie should develop, in effect, the Vice President could exercise his right.

Mr. HUMPHREY. Indeed.

Mr. JOHNSON of Texas. That is the way I interpret it.

Mr. KNOWLAND. That is the way I understood it, and I am sure that is the way all Members of the Senate understood it.

Mr. HUMPHREY. That is the way the junior Senator from Minnesota understands it. I thoroughly agree with what has happened. I so stated earlier. But for the purpose of the RECORD, I do not think we wish to leave the impression in the RECORD that, without that kind of understanding among Members on both sides of the aisle, the Vice President, whoever he may be in years to come, would have any greater right because of his power under the Constitution, to break a tie when he did not exercise the right earlier, when the parliamentary situation permitted him to do so.

Mr. KNOWLAND. May I ask the President of the Senate to read the precedents, as was requested previously? I think Senators will find a great deal of pertinent information in them.

The VICE PRESIDENT. The Chair suggests to the Senator from California that one of the precedents is lengthy. It could be printed in the RECORD at this point, if there were no objection.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the lengthy precedent to which the Vice President refers may be printed in the RECORD at this point.

The VICE PRESIDENT. Is there objection?

Mr. GORE. Mr. President, reserving the right to object—and I shall not object—I wish to make a statement.

The so-called understandings which have been referred to, and which the senior Senator from California says all Members of the Senate understood, were not specific. They were not so understood by all Members of the Senate. The unanimous-consent request was specific. The action of the Senate was specific.

I do not wish to pursue this issue further tonight. By Monday, the RECORD will be printed for all Senators to see. If it is pertinent to raise the issue again at

that time, any Senator will be privileged to do so.

Mr. JOHNSON of Texas. Mr. President, I believe that the understanding which has been referred to was not merely an understanding between the two leaders, although we frequently have such understandings. Thank God, we have more understandings than misunderstandings. But it was confirmed by a parliamentary ruling of the Presiding Officer, on the advice of the Parliamentarian, namely, that after recapitulation we would be back in the same situation in which we were before.

Mr. KNOWLAND. Mr. President, let me say to the distinguished Senator from Tennessee, with the greatest respect, that I think the RECORD is clear. I think the understanding of Members of the Senate was clear. I hope we shall never get into a situation in which we shall have to draft legal documents with relation to a situation which is thoroughly presented to the Senate, and with respect to which no person could reasonably misunderstand the intention.

The situation in which the ruling of the Vice President was asked for and given was thoroughly understood. If we ever reach the point where we must draft legal documents and consult our lawyers, the Senate will not be able to function as it has been able to function, divided as we are, 49 to 47.

I hope the day will never come in this body when we shall be placed in the position in which understandings by honorable men on both sides of the aisle will be challenged in the face of a record which, as in this case, no one can challenge.

Mr. GORE. Mr. President, I appreciate the moral fervor of the able and distinguished senior Senator from California. However, I do not think he wishes to speak advisedly of legal documents, of rules, or of the Constitution of the United States.

The Vice President ruled that, under the Constitution, the Vice President could at any time vote to break a tie in the Senate. That right has its limitations. The Vice President must vote at the proper time; and I submit to the able Senator that the record is not clear that there was an understanding, either between the two able leaders, or generally among Members of the Senate. I have read the record. What is that record? A vote was taken. The result was announced. A motion to reconsider was made. The senior Senator from California himself moved to lay that motion on the table. A vote was taken on that motion. His motion prevailed.

At that point, and only after that point, a unanimous-consent request was made to recapitulate.

What is recapitulation? It is not reconsideration. It is merely a recount. Had the senior Senator from Texas asked unanimous consent for reconsideration, I have no doubt it would have been given, but such request was not made. Such a request was not granted. The record stands incorrect.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. I hope every Member of the Senate will follow me carefully as I read:

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The minority leader was seeking a ruling from the Chair.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. I do not know what the recapitulation will show; but if the recapitulation shall show a tie vote, will the parliamentary situation then be as it would have been at that point if a tie vote had been announced?

The Vice President then gave his ruling.

The VICE PRESIDENT. That is correct; and the Vice President would then have one of those rare opportunities to break a tie.

Then the majority leader proceeded to give his reasons for the unanimous-consent request.

Mr. MALONE. Mr. President, will the Senator from Tennessee yield for a question of the majority leader?

Mr. GORE. I am glad to yield.

Mr. MALONE. I have listened very carefully to this debate. I think it is very important, and probably will be a precedent. But are we setting a precedent that any time the clerk may make a mistake in reporting a vote he can, by that mistake, unless there is a unanimous-consent agreement, deprive the Vice President of his right to break a tie?

Mr. JOHNSON of Texas. That would be the effect of it.

Mr. MALONE. Let us not do that. Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CASE of South Dakota. I listened to what the Senator said with regard to the nature and purpose of a recapitulation. Of course, a recapitulation is not a reconsideration; but is it not for the purpose of verifying the RECORD?

Mr. GORE. It is.

Mr. CASE of South Dakota. Suppose a recapitulation were to disclose, for example, that the Senator from Tennessee, who was known to have been on the floor and who was known to have voted, was not recorded. Would not the recapitulation offer the Senator from Tennessee an opportunity to be recorded?

Mr. GORE. It would not offer the junior Senator from Tennessee the right to be recorded if he had not exercised his right to be recorded. If he had voted, then the record would be corrected, but it would not accord him the right to vote.

Mr. CASE of South Dakota. It would afford an opportunity to have the correction recorded.

Mr. GORE. The opportunity for a correction of the record. I agree.

Mr. CASE of South Dakota. That would give him an opportunity to have his vote recorded.

Mr. GORE. That is correct.

Mr. CASE of South Dakota. Then, similarly, if the recapitulation showed an error, did it not then create the right for the Vice President to have his vote recorded?

Mr. GORE. Not in the opinion of the junior Senator from Tennessee.

Mr. CASE of South Dakota. In my opinion it did.

Mr. GORE. I shall not pursue the matter further at this time, but I shall examine further the precedents. I submit that an incorrect parliamentary ruling does not change an action of the Senate in this particular circumstance. I shall review the precedents, and perhaps make further reference to them on Monday.

Mr. JOHNSON of Texas. Does the Chair care to state the precedent?

Mr. GORE. I withdraw the objection.

Mr. KNOWLAND. I had asked unanimous consent that the longer precedent may be printed in the RECORD. I understood that the Presiding Officer was going to discuss the shorter precedent.

The VICE PRESIDENT. The Senator from Tennessee withdraws his objection. If there is no objection, the precedent will be printed in the RECORD.

The precedent was ordered to be printed in the RECORD, as follows:

VOTING

Instances of errors made in tabulating votes on amendments, which caused the Vice President to make erroneous announcements of the result, and in each case the actual vote changed the result.

In one case the correct vote resulted in a tie, as subsequently discovered, and the Vice President was deprived of an opportunity to cast an effective vote.

The Vice President expressed the opinion that upon the discovery of the error it should be corrected, even though an amendment and the correction of same.

Discussion as to recapitulation of a vote and the correction of same.

The vote in one of the above cases was corrected by the adoption of an amendment to the Senate Journal on the succeeding day.

On September 15, 1949, during the consideration of H. R. 1211, the Trade Agreements Extension Act of 1949, an amendment proposed by Mr. MCCARTHY, of Wisconsin, was agreed to by a vote of 43 yeas, 40 nays. A motion to reconsider the vote was made, and a motion then made to lay that motion on the table, the vote on which was 41 yeas, 41 nays—a tie. The Senate being equally divided, the Vice President [Mr. BARKLEY] voted in the negative, although his vote was ineffective, as the motion lost on a tie vote.

A vote was then taken on the motion to reconsider the result of which was handed by the reading clerk to the Vice President and announced as yeas, 41, nays 40, whereupon the Chair announced that the motion to reconsider was agreed to. The McCarthy amendment was then again voted upon and rejected by a vote of 40 yeas, 43 nays.

Subsequently, it developed that the vote on the motion to reconsider, announced as 41 yeas, 40 nays, was incorrect, and that the actual vote was a tie—41 yeas, 41 nays. In the discussion concerning the question of correcting the vote, the Vice President stated that, if the vote had been correctly announced, thus resulting in a tie, he would have voted in the affirmative, thereby adopting the motion to reconsider.

Prior to the discovery of the above error, a similar error had also been made by the reading clerk in tabulating the result of a vote on an amendment by Senator Thomas, of Oklahoma, limiting oil imports, which had first been announced as having been agreed to by a vote of yeas 42, nays 41, but shortly thereafter it was discovered that the vote as actually cast was 40 yeas, 41 nays. The Vice President then declared the amendment rejected.

In connection with the vote on the motion to reconsider, Mr. Wherry, of Nebraska, asked unanimous consent for a recapitulation of the vote when the error was discovered, an amendment in the meantime having been proposed by Mr. Butler, of Nebraska. No action was taken by the Senate that day towards correcting the error, but an order was submitted and agreed to on Friday the 16th instant, to correct the Senate Journal to conform to the facts (which appears hereafter).

THE VICE PRESIDENT. The Chair should point out, as all Members of the Senate know, that the Chair stated the precedents and made the ruling on the parliamentary inquiry on the basis of advice given him by the Parliamentarian. The Parliamentarian has studied the record. He has already submitted two precedents which he believes are on this point. The Chair shall state the precedent of September 15, 1949.

Mr. HOLLAND. Mr. President, will the Chair speak louder?

THE VICE PRESIDENT. This is the precedent of September 15, 1949. Without going into it in detail, because the record is rather involved, the Chair will state that in this instance the votes had been taken on the preceding day, and the error had not been discovered until the following day, and a very distinguished parliamentarian, the distinguished junior Senator from Kentucky [Mr. BARKLEY] was in the chair. This was the ruling.

Mr. GORE. Mr. President, a parliamentary inquiry.

THE VICE PRESIDENT. The Senator from Tennessee will state it.

Mr. GORE. Had a motion been made in the meantime to reconsider, and had such motion been laid on the table?

THE VICE PRESIDENT. No; not in this case. But other business had intervened.

Mr. GORE. Mr. President, I do not allege that the distinguished occupant of the chair did other than any occupant would have done on a quick ruling, namely, to take the advice of the Parliamentarian. I, too, have conferred with the Parliamentarian. The matter is not clear. I have said I shall not press the matter further this evening. However, with the Parliamentarian and, if I may have the distinct pleasure, with the Vice President, I shall review the matter further and, if necessary, will raise the question again on Monday.

THE VICE PRESIDENT. The Chair understood the Senator to say that previously. The Chair will now read the precedent, if the Senate has no objection:

Ordered, That the entry in the Journal of the proceedings of Thursday, September 15, 1949, showing the result of the vote on reconsideration of the so-called McCarthy amendment to H. R. 1211, the Trade Agreements Extension Act of 1949, as yeas 41, nays 40, and therefore the motion to reconsider having been announced by the Vice President as having been agreed to, be corrected to show the actual result, namely, yeas 41, nays 41.

Ordered further, in view of the subsequent statement of the Vice President, upon the discovery of the error, that if the vote had been correctly announced, thus showing the Senate to be equally divided, he would have voted in the affirmative, thereby making the vote 42 yeas, 41 nays, the motion to reconsider be deemed to have been agreed to.

As we know, precedents are not always on all fours, but the Parliamentarian has pointed out that here a day intervened and business intervened; and in this instance the precedent, except for the motion to lay on the table, to which the Senator from Tennessee has referred, is on all fours. The simple announcement of the Vice President on the following day that he would have voted "yea" had he had an opportunity to do so, was taken as sufficient to carry the motion to reconsider.

Mr. GORE. Mr. President, a parliamentary inquiry.

THE VICE PRESIDENT. The Senator from Tennessee will state it.

Mr. GORE. Has the Chair been advised of any precedent of a motion to reconsider having been made, and that motion laid on the table, and the question nevertheless reopened for a vote, or is this, indeed, a new precedent in the Senate?

THE VICE PRESIDENT. Of course, the Parliamentarian has not had adequate time to check all the precedents. The Chair will reserve answering that question until he is able to give advice on it.

Mr. HUMPHREY. I wish to go back again to the amendment which was pending.

THE VICE PRESIDENT. The clerk will state the amendment.

Mr. WILLIAMS. Mr. President, there is an amendment of mine at the desk which is already pending.

THE VICE PRESIDENT. The Senator from Delaware had the floor.

Mr. JOHNSON of Texas. Mr. President, I apologize to the Senator from Delaware. I had forgotten about it.

Mr. HUMPHREY. It seems almost as though that happened last week. [Laughter.]

Mr. WILLIAMS. I had already called up my amendment, which I offered on behalf of myself and the Senator from Indiana [Mr. CAPEHART]. I ask that the clerk state the amendment again.

THE CHIEF CLERK. On page 25, between lines 14 and 15, it is proposed to insert the following:

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

SEC. 225. No lease executed, renewed, or permitted to extend beyond its earliest termination or cancellation date by any agency of the United States as lessor after the enactment of this act shall permit the lessee to produce on any land subject to such lease any agricultural commodity (other than livestock or livestock products) determined by the Secretary of Agriculture to be in surplus supply.

Mr. JOHNSON of Texas. Mr. President, I understand it is agreeable to the Senator from Delaware [Mr. WILLIAMS] that we go over until Monday on the amendment. I understand the Senator desires a yea-and-nay vote.

Mr. WILLIAMS. Yes.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL REPORT OF A COMMITTEE

Mr. FREAR, from the Committee on Banking and Currency, to which was referred the bill (S. 3091) to amend the Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, so as to permit the disposal thereunder of Plan-cor No. 1207 at Louisville, Ky., reported it favorably, with amendments, and submitted a report (No. 1649) thereon.

ADDITIONAL BILLS INTRODUCED

Mr. KEFAUVER introduced the following bills, which were read twice by their titles, and referred, as indicated:

S. 3413. A bill for the relief of Radovan Mohorovichic; to the Committee on the Judiciary.

S. 3414. A bill to provide for the advancement of Capt. Edward J. Steichen, United States Naval Reserve (retired), to the grade of rear admiral on the Naval Reserve retired list; to the Committee on Armed Services.

AGRICULTURAL ACT OF 1956— AMENDMENTS

Mr. DIRKSEN submitted amendments, intended to be proposed by him, to the bill (S. 3183) to provide an improved farm program, which were ordered to lie on the table and to be printed.

Mr. WELKER submitted an amendment, intended to be proposed by him, to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

Mr. THYE submitted an amendment, intended to be proposed by him, to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

NOTICE OF HEARING ON THE NOMINATION OF STANLEY N. BARNES TO BE UNITED STATES CIRCUIT JUDGE, NINTH CIRCUIT

Mr. EASTLAND. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, March 16, 1956, at 10:30 a. m., in room 424, Senate Office Building, on the nomination of Stanley N. Barnes, of California, to be United States circuit judge, Ninth Circuit, vice William E. Orr, retired.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Arkansas [Mr. McCLLELLAN], the Senator from Idaho [Mr. WELKER], and myself, chairman.

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION WITH NICARAGUA—REMOVAL OF INJUNCTION OF SECRECY

THE VICE PRESIDENT. As in executive session, the Chair lays before the Senate Executive G, 84th Congress, 2d session, a treaty of friendship, commerce, and navigation between the United States of America and Nicaragua, together with a protocol relating thereto,

signed at Managua on January 21, 1956. Without objection, the injunction of secrecy will be removed from the treaty, and the treaty, together with the President's message, will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of friendship, commerce, and navigation between the United States of America and the Republic of Nicaragua, together with a protocol relating thereto, signed at Managua on January 21, 1956.

I transmit also, for the information of the Senate, the report by the Acting Secretary of State with respect to the treaty.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 9, 1956.

(Enclosures: 1. Report of the Acting Secretary of State. (2) Treaty of friendship, commerce, and navigation, with protocol signed at Managua on January 21, 1956.)

RECESS TO 11 A. M. ON MONDAY

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 11 o'clock a. m. on Monday next.

The motion was agreed to; and (at 9 o'clock and 39 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, March 12, 1956, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 9 (legislative day of March 6), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Jefferson Patterson, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uruguay.

Dempster McIntosh, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947, as amended, and section 107 of the Army-Navy Nurses Act of 1947, as amended. All officers are subject to physical examination required by law.

SECOND LIEUTENANT TO FIRST LIEUTENANT

Line of the Air Force

Richards, Merwin Eugene, 27850A.
Nicolaoan, Lenin Samuel, 27856A.
Snyder, James Alan, 27861A.
Carpenter, Donald Gilbert, 27127A.
Imker, Franz William, 27128A.
Schneider, James Richard, 27883A.
Sander, Elmer Mathias John, 27884A.
Roosma, John Siebe, Jr., 27129A.
Grant, Horace Russell, 27131A.
Tullett, Jack Edgar, 27135A.
Murphy, William Arch, 27134A.
Wadsworth, Dean Amick, 27132A.
Parnell, Henry Robert, Jr., 27130A.
Poston, John Charles, 27133A.

Hopingardner, Charles Otis, 27579A.
Weir, Charles Bernard, 27886A.
Whipple, Alvin Gerald, 27887A.
Turner, Jack Harriss, 27885A.
Miller, Hugh Melvin, 27890A.
Mattis, William Carroll, 27889A.
Smith, David Clayton, 27888A.
Strother, Byrne Elliott, 27891A.
Nielsen, Dale Grafton, 27892A.
Berthelot, Joseph Alfred, 27136A.
Gilbert, John Lawson, 27894A.
Richardson, Norman Neal, 27895A.
Davis, Ed D., 25047A.
Borum, Rodney Lee, 25006A.
Klopper, Robert George, 25043A.
Mingledorff, Thomas Daniel, Jr., 25187A.
Bassett, Kimbrough Stone, 24990A.
Gilster, Herman Louis, 25089A.
Green, James Edward, 25097A.
Haydon, Robert Eugene, 25115A.
Klick, Donald Wayne, 25144A.
Hayes, Alvin Leo, 25116A.
Rumph, Harold Henry, 25239A.
Weinstein, Gerald Edward, 25317A.
Smith, Donald Damien, 25273A.
Alden, Frederick Alonzo, 3d, 24975A.
Aller, Robert Olen, 24978A.
Flaherty, James Carton, 25073A.
Oppermann, Edward Belz, 25202A.
Brown, Frank Markham, 25010A.
McCreery, Thomas Allan, 25178A.
Lavender, Charles Maurice, 25152A.
Harrison, Billy Ray, 25111A.
Gridley, Craig West, 25098A.
Foster, Robert Ashmore, 25076A.
Herndon, Stuart Brown, 25120A.
Rhude, Donald Preston, 25226A.
Schuessler, John Major, 25258A.
Glesy, Lloyd Henry, 25088A.
Deex, Arthur John, 25053A.
Garey, George Frye, 25082A.
Hazlebeck, John Beltz, 25117A.
Tatum, Lawrence Byron, 25296A.
Laird, Larry Harmon, 25148A.
Swan, John Wellington, 25291A.
Tracy, William Kenneth, 25301A.
Bowditch, Charles Griswold, 25007A.
Scott, Wallace Cooper, 3d, 25259A.
Bicknell, Robert Stanley, 25000A.
Charrier, George Orville, 25029A.
Brunson, Clarence Edgar, 3d, 25014A.
Morton, Leo Clare, 25191A.
Brown, Joseph Earl, 25011A.
Doyle, Edward Joseph, 25059A.
Conley, John Thomas, 25035A.
Foy, John Lydon, 25077A.
Quirk, William Jerome, 25219A.
Porter, Robert John, 25216A.
Wilson, Harris Flanigan, 25324A.
Brundage, James William, 25013A.
Chapman, John Frederick, 25028A.
VonHausen, William Walter, 25311A.
Davis, William Russell, 25049A.
Karns, Robert Clay, 25140A.
Hess, Robert William, 25121A.
Glenn, John Smith, 25090A.
Chambers, William Carl, 25027A.
Hopkins, Louie Baus, 25124A.
Tardiff, Albert Nelson, 25295A.
Jones, Fred Gilbert, 25133A.
Roberts, John Ansty, 3d, 25233A.
Russell, John Lowell, 25240A.
Laufman, Robert Franklin, 25151A.
Vernia, Thomas Joseph, Jr., 25306A.
Drew, Frank Morehead, 25060A.
Boeskool, Irvin Lewis, 25002A.
Stuart, William Henry, 25289A.
Adams, Henry William, 24974A.
Morgan, Larry Lee, 25190A.
Detweiler, Robert Milan, 25055A.
Saffer, Morton Robert, 25242A.
Egan, Douglas Schmelzel, Jr., 25065A.
Butler, Charles Morgan, 25017A.
Westermeyer, James Taylor, 25319A.
Waller, Guy Ernest, Jr., 25314A.
Vogt, Donald Arthur, 25310A.
Spooner, Arthur Leroy, 25281A.
Shadburn, Theodore Hanby, 25261A.
Todd, Marion Alexander, Jr., 25299A.
Lewis, Charles Edward, 25154A.
Doty, Aultman, 25057A.

Axley, John Henry, 24981A.
Wheeler, Harold Peyton, Jr., 25320A.
Molnar, Lawrence Benedict, 25188A.
Camstra, Frank Anton, Jr., 25022A.
Remers, Richard Thomas, 25224A.
Gay, Francis Vernon, 25086A.
Jelinek, James John, 25127A.
Jones, John Powell, 25135A.
Hamilton, Jay Robert, Jr., 25107A.
Pochari, Thomas Richard, 25214A.
Phipps, Arthur Raymond, 25209A.
Miller, George David, 25186A.
Lodwick, David Idris, 25157A.
Davies, Owen Myrdinn, 25046A.
Zander, Denell Delbert, 25326A.
Jones, David Buchanan, 25132A.
Gartrell, Harold Eugene, 25084A.
Turk, Charles William, 25302A.
Plank, Robert Victor, 25212A.
Ochs, Lamont Earl, 25198A.
Reid, Robert Eugene, 25223A.
McGinn, Charles Joseph, 25181A.
Farnsworth, Harold Cecil, 25069A.
Freeman, Theodore Cordy, 25080A.
Schroder, Raymond Ludwig William, 25255A.
Sammis, Donald Stuart, Jr., 25245A.
Salzman, Kenneth Maxwell, 25244A.
Welsh, James Carter, 25318A.
Ford, Robert Abbott, Jr., 25075A.
Beveridge, Robert Bruce, 24999A.
Eddington, Robert Barnes, 25063A.
Elliott, James Homer, 25066A.
Robbins, Gary Wayne, 25231A.
Sherman, Stuart Holmes, Jr., 25263A.
Clements, Henry Earl, 25030A.
Pringle, Homer George, Jr., 25218A.
Fisher, Donald Robert, 25072A.
Brachtenbach, Leo, 25009A.
Mann, Frederic Albert, 25164A.
Smith, Robert Lee, 25274A.
Sperling, Daniel Paul, 25280A.
McLean, Thomas John, 25183A.
McCarty, Dyke, 25174A.
Sutter, Bradley, 25290A.
Graff, John Alan, 25094A.
Mets, David Raymond, 25184A.
St. John, James Wilson, 25243A.
Grossman, Bernard, 25101A.
Lamb, Charles William, 25149A.
Cooke, Charles Maynard, Jr., 25038A.
Romer, James Joseph, 25236A.
Martella, Angelo Michael, Jr., 25167A.
Carter, Donald Leslie, 25026A.
Walters, Joseph Richardson, Jr., 25316A.
Borrell, Charles Mossi, 25005A.
Ritchie, William Hoke, Jr., 25230A.
Olson, James Russell, 25200A.
Hart, Jack William, 25114A.
Redmon, Evan Hayes, Jr., 25222A.
Marinero, Frank Joseph, 25166A.
Hall, George Robert, 25106A.
Best, Charles Allan, 24998A.
Gorman, Robert Eugene, 25092A.
Rodda, Ronald John, 25234A.
Carmichael, John Brodie, Jr., 25023A.
Krobock, John Robert, 25147A.
Anderson, Thomas Eugene, 24979A.
Kotowski, Raymond Vincent, 25146A.
Stephens, James Ernest, 25286A.
Lindsay, James Robert, 3d, 25156A.
Hente, Donald Bruce, 25119A.
Bishop, Charles Emerson, 25001A.
Olsen, John Worth, 25199A.
Martin, Kenneth William, 25168A.
Day, Richard Donald, 25050A.
Frederick, George Andrew, 25078A.
Barrow, Floyd Phillip, Jr., 24989A.
Bornstein, Joseph Bernard, 25004A.
Gourlay, William, Jr., 25093A.
Sinnott, John Patrick Richard, 25267A.
Selbe, James Preston, 25260A.
Holmes, Donald Stone, Jr., 25122A.
Schaffrath, Henry George, Jr., 25249A.
Battle, Benjamin Ray, 24991A.
Schuerger, John Albert, 25257A.
Clements, Herdis French, 25031A.
Groshans, Russell Glen, 25099A.
Johnson, John Edsall, 25129A.
Malambri, Nicholas DeJean, 25162A.
McCauley, Reese Stephens, Jr., 25175A.
Taylor, Fred Sturtevant, 3d., 25297A.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 13, 1956
For actions of March 12, 1956
84th-2nd, No. 43

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HIGHLIGHTS; Senate continued debate on farm bill. Sen. Wiley criticized delay in conference consideration of school milk and brucellosis programs. Reps. Byrnes and Martin criticized delay in conference consideration of school milk and sugar measures. Rep. Burdick criticized defeat of high rigid price supports in Senate. Sen. Morse introduced and discussed bill to authorize USDA to build and maintain timber access roads.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. p. 3963
Agreed to an amendment by Sen. Williams (as modified by amendments by Sens. Jenner and Russell), to limit to \$25,000 annually any payment to any producer in any State for participating in the acreage-reserve program, to limit to \$100,000 annually price-support loans to any producer, and to prohibit production on leased Federal land of any crop in surplus supply, by a vote of 78 to 11. (The Jenner amendment, which was agreed to 84 to 9, limits to \$25,000 annually any payment to any producer in any State for participating in the acreage-reserve program. The Russell amendment, which was agreed to by a voice vote, limits to \$100,000 annually price-support loans that may be made to any producer.) pp. 3963-3995
Rejected an amendment by Sen. Humphrey (in the nature of a substitute for the Williams amendment), to provide price supports for basic commodities at 97% of parity up to a maximum of \$5,000 annually per farm, and maximum total annual price supports for each farm of \$50,000, by a vote of 36 to 56 (pp. 3973-3982).
Sen. Gore submitted and later withdrew an amendment to strike out the last paragraph of the Williams amendment (pp. 3988-3994).
Pending at adjournment was an amendment by Sen. Carlson relating to domestic parity for wheat (pp. 3995-3996).

Sen. Monroney submitted amendments intended to be proposed to the bill p. 3939

Sens. Johnson, Knowland, and Ellender stated that they hoped action on the bill could be completed by Wednesday of this week. p. 3944

2. WHEAT. Sen. Langer inserted a letter from a local Republican Convention supporting 90 percent of parity on quality wheat. p. 3931
3. MILK; BRUCELLOSIS. Sen. Wiley criticized the delay in conference consideration of bills to extend the school milk and brucellosis programs, and urged immediate action. p. 3952
4. NATURAL RESOURCES. Sen. Watkins defended the natural resource policies of Secretary McKay and inserted a newspaper article on the subject. p. 3946

HOUSE

5. SCHOOL MILK; BRUCELLOSIS; SUGAR. Reps. Byrnes and Martin criticized and Rep. Abernethy defended the progress of the school milk, brucellosis, and sugar measures through conference. p. 4006
6. PRICE SUPPORTS. Rep. Burdick criticized the action of the Senate in defeating provisions for price supports at 90% of parity and alleged that the Secretary was not working in the best interests of the American farmer. p. 4008
7. APPROPRIATIONS. Received from the President proposed supplemental estimates to pay claims for damages, audited claims, and judgments rendered against the U. S. (H. Doc. 355); to Appropriations Committee. p. 4011
8. VETERANS. Received the annual report of the Veterans' Administration (H. Doc. 248); to the Veterans' Affairs Committee. p. 4011

ITEMS IN APRENDIX

9. FAMILY FARM. Rep. Wickersham inserted a newspaper article describing problem of the family-sized farm and stating that "there would be no really grave American farm problem if it were not for the plight of the family sized farms. p. A2204
10. WILDLIFE. Rep. Wier inserted a letter from the Minn. Emergency Conservation Committee to Asst. Secretary of the Interior D'Ewart criticizing the proposed revision of oil and gas leasing regulations for the national wildlife refuges. p. A2209
Rep. Metcalf inserted Dr. Ira Gabrielson's recent address analyzing some of the activities of the Dept. of the Interior. p. A2225
11. FOREIGN AID. Rep. Hays, Ark., inserted his speech before the Ass'n for the United Nations urging greater interest in multilateral assistance programs. p. A2210
12. FARM PROGRAM. Rep. Hill inserted an editorial questioning the factors which are raising barriers to comprehension of the farm problem between farm and city segments of population and stating that the farm problem is fissionable and should, therefore, be handled with care. p. A2211
Rep. Pillion inserted the results of an opinion poll among his constituent including the farm program issue, Federal aid for education, and a highway construction program. p. A2228

ing recommended in section 2 of S. 2113. This relatively minor change would make a great deal of difference to refugee families granted admission under the refugee relief program. Under the statute as it now reads, wives, children, and others eligible to enter the country accompanying someone entering on a refugee relief visa, must all come together, accompanying the senior member of the family. The proposal contained in the Watkins bill, which simply adds the words "or following to join them," would allow members of a family to follow later when for one reason or another they could not yet accompany the head of the family being admitted under this program. I urge that this provision be included in any amendments that the subcommittee sees fit to recommend to improve the Refugee Relief Act. It is a most worthy modification.

There is one final proposal in the Watkins bill in support of which I wish to join. That is the addition made in subsection (c) of section 11, which provides that " * * * eligibility of an applicant under this act shall be the exclusive responsibility of the consular office." Presently this eligibility is subject to the review of the immigration officer whose responsibility should rest solely in the application of the Immigration Act to the applicant. This authority of review by the immigration officer has resulted in conflicting rulings by the separate officers charged with this responsibility and has been one of the sources of delay in administering the Refugee Relief Act. By so clarifying the act that the responsibility for administering the Refugee Relief Act resides solely in the consular officer, much of this confusion and delay should be eliminated. This will certainly improve the administration of the program. I strongly support this delimitation of authority and hope that it will be made a part of any recommendations for amending the Refugee Relief Act of 1953.

May I come back again to a proposal which I just mentioned in passing, but which I wish to support as it embodies the humanitarian spirit of the Refugee Relief Act. I refer to the amendments of the chairman, contained in S. 2149, that would extend eligibility under this program to dependent parents, stepparents, and adoptive parents, as well as those who would be presently eligible for admission by accompanying the head of a family with a refugee relief visa. Here again, like the amendments we have discussed, these recommendations would in many cases mean the difference between a family being able to take advantage of the program and come to the United States or having to stay on in some dreary refugee camp or makeshift home in order to avoid parting from a loved member of the family.

These seem minor matters when we are drawing up a bill affecting hundreds of thousands, but we must never forget how much just such modifications as these can mean to the individuals whose whole lives turn upon them. I wish to support the amendments of the chairman, as they extend the benefits of this program in a way that should not have been overlooked.

In conclusion, I would just like to say that the amendments being considered by this subcommittee give new hope for the Refugee Relief Act of 1953, and those who should be helped by it to come to the United States and become useful citizens. I shall not refer again to the way in which this program has been hampered and almost blocked by those who do not wish to see it work. I would like to reiterate, however, that the success of this program is important not only for what it means to the lives of those many thousand we hope to assist by it, but that its success is important in the world for the good name of the United States itself.

In part, we are already known to the rest of the world for the quota system upon which

the Immigration and Naturalization Act is built. While we have yet to correct the inequities that are written into that law, here, in amending the Refugee Relief Act, we can present a better face to the world, our true face. Let us show the world the spirit that truly moves our people. Let us extend the hand of welcome to those whose lives have been disrupted and whose homes have been lost. I trust that the subcommittee will give careful consideration to the amendments before it. I hope you will agree with me that they are worthy of our support.

Mr. HUMPHREY. Mr. President, in conclusion, I wish to stress that the refugee-relief program has a great humanitarian purpose—to hold out hope to those unfortunate people who have been driven from their homes by war or uprooted by fear of political reprisal. Further, however, it is an essential part of our foreign policy in attempting to meet and counter the redefection campaign of the Communists. Our failure to our responsibility under the Refugee Relief Act could have unfortunate consequence for us in providing a Communist victory in this redefection campaign.

The Congress has legislation pending that would make those legislative changes necessary if we are to fulfill the goals of the refugee-relief program. But, as I stated at the outset and have spelled out with the recommendations of those groups best qualified to criticize administration of the program, the President and the Secretary of State have it within their means to make such administrative changes as need to be made to expedite this program.

I would not want to close without paying tribute to the voluntary agencies that have done so much in an effort to assist refugees in coming to this country under the Refugee Relief Act. They have given of their efforts selflessly and tirelessly in an attempt to help those who seek a haven from political oppression and a new home after years of being uprooted. They deserve the thanks not only of those they have helped but the thanks and commendation of us all for the fine, dedicated work they are doing.

We owe it to them as well as to the refugees who look to us for assistance to improve the refugee-relief program. I join with the voluntary agencies in urging President Eisenhower to take action now. The President should instruct the Secretary of State and the administrator of the refugee-relief program to make those administrative changes that are so urgently needed. The refugee-relief program must not fail in its mission of bringing to their new home all of the refugees we intended to welcome when we passed the Refugee Relief Act.

THIRTY-SEVENTH BIRTHDAY ANNIVERSARY OF THE FOUNDING OF THE AMERICAN LEGION

Mr. JOHNSTON of South Carolina. Mr. President, yesterday was the birthday of the American Legion, organized March 11, 1919, and later chartered by Congress. I want to congratulate this patriotic organization on its 37th birthday. As a charter member of my local post, I have always considered it a great

honor and a high privilege to be a member of this the largest organization of wartime veterans in the history of mankind.

"For God and country" are we comrades associated. May the eternal principles enumerated in the preamble to our Constitution ever serve as guideposts in our lives so that in truth "right shall become the master of might" and "peace and good will" on earth shall ever be our goal.

To recount here the accomplishments of this great organization is a task beyond the time permitted me.

In support of the widow and orphan of our deceased comrades and the disabled, the Legion has a record of accomplishments that will ever be a tribute to a zealous devotion to worthy causes.

In the defense of our national institutions—our Americanism—unadulterated—few can equal its constant and unswerving guardianship.

It was quite a disappointment to some and a pleasure to me that here in Washington, during a recent National Convention of the American Legion, the bands and drum corps who led the parade concentrated on Onward Christian Soldiers and The Battle Hymn of the Republic. Soberness and maturity characterized its deliberations. It was imbued with a patriotism born in the crucible of service to God and country.

In its child welfare activities, junior baseball programs, its oratorical and other school contests, the American Legion is rendering services in the field of Americanism to the young men and women of our country which will ever redound to its credit. Think of it—over 50 percent of the baseball players in the big leagues today received their initial training under the auspices of the great organization—the American Legion.

The work of our Subcommittee on Internal Security has its counterpart in the Americanism commission of the American Legion.

Some detractors would have us think that the Legion is solely a pressure group. I will have none of that propaganda. If it is pressure, it is pressure for a greater, stronger and better America so that we may transmit to posterity the principles of justice, freedom, and democracy. May the judge of us all give us more of such pressure organizations like the American Legion.

Someday, when more time is at our disposal, I shall recount for you the many blessings America has received from the organization which has honored me and for which I have such great respect and affection.

AGRICULTURAL ACT OF 1956

Mr. KNOWLAND. Mr. President, has morning business been concluded?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Morning business has been concluded.

The Chair lays before the Senate the unfinished business, which is Senate bill 3183.

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. BYRD. Mr. President, for the purpose of the RECORD, I should like to state that, because of illness in my family, I was unable to be present on Friday when the vote was taken on the Aiken amendment to strike from the farm bill the 90 percent of parity provision on wheat. If I had been present, I would have voted in favor of the amendment, and against the 90 percent provision.

Mr. KNOWLAND. Mr. President, I should like to call the request I am about to make to the attention of the Senator from Louisiana [Mr. ELLENDER]. I should like to request that the quorum call be had without the time being charged to either side, because I understand several Members of the Senate on both sides of the aisle desired to have some indication given when the Senate resumed the consideration of the farm bill.

Mr. ELLENDER. I had risen to suggest that that be done.

Mr. KNOWLAND. I suggest the absence of a quorum.

Mr. DIRKSEN. Mr. President, will the Senator withhold his suggestion for the moment?

Mr. KNOWLAND. I am glad to withhold it.

Mr. DIRKSEN. Mr. President, I should like to call this matter particularly to the attention of the Senator from Louisiana [Mr. ELLENDER], the chairman of the committee. Under the order, I understand that the amendments of the Senator from Delaware [Mr. WILLIAMS] are now the order of business before the Senate. Is that correct?

Mr. ELLENDER. The Senator is correct.

Mr. DIRKSEN. Last week at my request action was deferred on an amendment which I had submitted, its consideration being made subject to whatever the pending business was, and with the understanding that it would become the next order of business after the pending amendment had been disposed of. If there is no objection, I should like to ask unanimous consent that action on my amendment be further deferred, and that its place be taken by the amendment submitted by the Senator from Kansas [Mr. CARLSON], which is an amendment similar to my amendment, except that it deals with a different commodity.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, under the previous request, I now suggest the absence of a quorum, without the time consumed being charged to either side.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware.

Mr. WILLIAMS. Mr. President, I submit a modification of my amendment, which consolidates 3 other amendments. I noticed that when the Senate began the consideration of the farm bill last Thursday, 83 amendments to the bill were prepared. This morning there are 84 amendments. Unless greater progress than that already evidenced is made we shall not get anywhere.

All three amendments I have deal with one subject, namely, limitations on the bill. Therefore, I submit the modification and ask that it be read.

The PRESIDING OFFICER. The clerk will state the modification as proposed by the Senator from Delaware.

The legislative clerk read as follows:

On page 11, line 5, after the period, it is proposed to insert the following: "The compensation paid any producer for participating in the acreage reserve program with respect to land in any one State in any year shall not exceed \$25,000."

On page 15, line 5, after the period, it is proposed to insert the following: "No annual payment to any person with respect to land in any one State shall exceed \$7,500."

On page 4, between lines 22 and 23, it is proposed to insert the following:

"SEC. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$25,000. The term "person" shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

The PRESIDING OFFICER. Is there objection to the amendments being considered en bloc?

Mr. HUMPHREY. Mr. President, reserving the right to object—

Mr. WILLIAMS. Mr. President, do I not have the right to modify my own amendment?

The PRESIDING OFFICER. The Chair has not heard objection.

Mr. HUMPHREY. Mr. President, I reserved the right to object.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The amendment, as modified, would amend several portions of the bill. That is why it is necessary to get unanimous consent in order to consider the amendments en bloc.

Mr. WILLIAMS. But is it not true that I may modify my amendment as offered without unanimous consent?

The PRESIDING OFFICER. The Senator could modify one particular part

of his amendment; but when he has asked for the consideration of the amendment of several parts of the bill in several places, it is necessary to have unanimous consent to consider the amendments en bloc.

Mr. HUMPHREY. Mr. President, I may say to the Senator from Delaware that I called up last Friday, prior to the time the Senator from Delaware gained the floor, an amendment which relates to the limitation on price supports. In order to accommodate one of my colleagues, the Senator from Tennessee [Mr. KEFAUVER] after there had been objection to his presenting several amendments, I temporarily withdrew my amendment. So I desire to present the amendment today. A part of the proposal of the Senator from Delaware is identical with my amendment. I intend to present the amendment in my own right.

I must say in all candor that it appears rather unusual that this has happened. Therefore, I object.

The PRESIDING OFFICER. The Chair hears objection to the consideration en bloc of the amendments offered by the Senator from Delaware.

Mr. HUMPHREY. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the first amendment offered by the Senator from Delaware.

Mr. WILLIAMS. Mr. President, does that mean that I will have to offer the amendments as amendments to my amendment?

The PRESIDING OFFICER. Because of the objection, the amendments will have to be considered separately.

Mr. WILLIAMS. Which amendment does the Chair hold should be considered first?

The PRESIDING OFFICER. The first amendment on the list which the Senator submitted.

Mr. WILLIAMS. The first amendment submitted was on page 11, line 5.

The PRESIDING OFFICER. The Chair will call attention to the fact that there is one amendment before that, in the order in which the Senator has submitted them.

Mr. WILLIAMS. That was the pending amendment.

The PRESIDING OFFICER. The amendment pending on Friday is the one which will be before the Senate.

Mr. WILLIAMS. Do I understand correctly that the Senate will vote on each one in its order?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS. Am I to understand that, under the parliamentary situation, after the Senate has voted on the amendment which proposes to add section 225, the next amendment would be the one offered as a modification, as it comes in consecutive order?

The PRESIDING OFFICER. The Chair cannot guarantee that the Senator from Delaware will be recognized to offer his next amendment in order. The Chair can only guarantee that the Senator now has an opportunity to present whichever amendment he chooses as his first one.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. The Senator from Delaware has several amendments he intends to propose. Is this the amendment designated "2-22-56-B"?

The PRESIDING OFFICER. It is the amendment which was called up on last Friday.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. Are we not considering the amendment designated "3-5-56-B"?

The PRESIDING OFFICER. Yes; unless the Chair hears objection.

Mr. ELLENDER. That is the amendment which was called up on Friday.

Mr. WILLIAMS. Mr. President, it seems unusual that I cannot consolidate the amendments. That practice has been followed before in the Senate. Nevertheless, in the event that that cannot be done, as I understand, I may modify my amendment by offering a substitute for it, may I not?

The PRESIDING OFFICER. The Senator may do that.

Mr. WILLIAMS. Mr. President, I offer a substitute for the amendment which is now pending. The amendment in the nature of a substitute is the last part of the modification which I just submitted, which would amend section 107 of the bill.

The PRESIDING OFFICER. The clerk will state the amendment in the nature of a substitute offered by the Senator from Delaware.

The LEGISLATIVE CLERK. On page 4, between lines 22 and 23, it is proposed to insert the following:

SEC. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$25,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Delaware.

Mr. HUMPHREY. Mr. President, I should like to offer an amendment to that particular section.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Senator from Delaware has the floor, and the Senate is considering his amendment in the nature of a substitute.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. At the expiration of the time of the Senator from Delaware, may I offer an amendment?

The PRESIDING OFFICER. The amendment intended to be offered by the Senator from Minnesota may be offered only after the time allotted on the amendment of the Senator from Delaware has been exhausted or yielded back by both sides.

Mr. HUMPHREY. I understand. I shall offer an amendment at such time.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. I should like to know what will become of the amendment previously pending if the amendment now offered to that amendment shall be adopted. The amendments deal with different subjects entirely.

The PRESIDING OFFICER. The first amendment offered by the Senator from Delaware is not before the Senate.

Mr. ELLENDER. Are we to understand that the amendment designated "3-5-56-B" is not now before the Senate?

The PRESIDING OFFICER. It is not before the Senate; it was modified by the Senator from Delaware.

Mr. ELLENDER. So the Senate is not considering the amendment designated "3-5-56-B."

Mr. WATKINS. Mr. President, may we have order? Senators cannot hear the rulings of the Chair or the remarks of the Senator from Louisiana.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Delaware.

Mr. WILLIAMS. Mr. President, my reason for offering this amendment as a substitute for the other amendment at this time is that the Solicitor of the Department of Agriculture, who is now just outside the Senate Chamber, has raised a question that the first amendment offered may contain language which, as at present written, may cause undue hardship on a small farmer who is dependent solely on a small piece of land, leased from the Government, for his operations.

That was not the purpose of the original amendment and I want that point clarified before proceeding. If new language is needed we can modify the amendment accordingly.

I have asked the Solicitor to try to prepare suitable language by which the amendment could be modified so as to take care of hardship cases, and that is now being done. It was hoped the revision would be ready before the Senate resumed consideration of the bill. But it has not come in yet, so I thought it was useless to take of the time of the Senate to debate that particular phase until the proper language had been prepared.

Mr. ELLENDER. Mr. President, am I to understand that the Senator from Delaware now proposes to withdraw the

amendment which was offered by him last Friday?

Mr. WILLIAMS. Only temporarily. That is why I have substituted the amendment now being considered.

I may say to the Senator from Minnesota [Mr. HUMPHREY] that it is true he has offered an amendment, and I think it is almost identical with mine. But the Senator from Utah also has a comparable amendment, as has the Senator from Indiana. As I understand, there are 12 or 14 amendments which have been submitted, all dealing with the same subject.

The proposal here is a consolidation of all these limitation features into one amendment for the purpose of conserving time.

As I pointed out before we started out last Friday with 83 amendments and after 2 days work we now have 84.

Unless we consolidate some of these proposals, we will never get the bill passed.

I think we are all trying to attain the same objective, namely, to keep the benefits for the smaller farmer. I am not trying to take anything away from the Senator from Minnesota, who, as I have said, has likewise drawn a comparable amendment. I think the Senate would have voted on the amendment last Friday evening, had it not gotten into a parliamentary dispute lasting for nearly 2 hours on another question. That forced the amendment to be carried over until today.

This morning I was requested to hold up the original amendment until the necessary changes in verbiage could be prepared. The changes have not as yet been made available. I thought the Senate could vote at one time on all three phrases of this other question. They are comparable amendments. The first phase would limit payments under the acreage reserve to \$25,000. The second phase would limit payments under the conservation reserve to \$7,500. The third phase would limit loans under the price support program to \$25,000. The same principle is involved in all. I think the amendments could be considered en bloc, in order to conserve time. If the Senator from Minnesota wishes to join as a cosponsor, I shall be only too glad to have him do so. No question of pride of authorship is involved. The amendments have been pending several days.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. HUMPHREY. It is not a matter of pride of authorship. It is a question of orderly procedure. The items involved are separate items. For instance, the Senator from Delaware proposes an amendment relating to acreage reserve, one relating to the conservation reserve, and one relating to production on Government-owned land. They should be considered separately.

It is my intention to offer an amendment on limitation of price supports. That amendment has been printed. I have withdrawn the amendment only to accommodate a colleague. When the

Senator offers the amendment on limitation of price supports, I shall offer an amendment to that, because I should like to bring out another point.

Mr. WILLIAMS. I have no objection to that, and to accommodate the Senator will offer that portion first. I might support the language which the Senator from Minnesota will offer. As previously stated, the purpose of offering the amendment is to restrict to \$25,000 the amount of price supports which any individual or corporation may obtain under the program.

Last year more than 1 million farmers participated in the support program, and less than 2,000 of them received loans in excess of \$25,000. There will be less than 2,000 farmers affected by this amendment if it should be adopted.

I would be the first to protest on the floor of the Senate any legislation which would be against the right of any man in this country, whether he be a farmer or in business, to grow and make progress; but we certainly should not use a subsidy or assistance afforded by the United States Government to help him to make the progress.

The benefits of this farm program were intended by the administration and the Congress to go primarily to the family-sized farms, the bona fide farmers who are not able to assist themselves, and not to go to large corporations. To cite an example, I know of one unit which has over 340,000 acres of wheat under the program. It was not intended to use the taxpayers' money to assist such large farm operations.

Why should the American taxpayers underwrite these million-dollar operations?

My amendment proposes to limit the amounts to \$25,000. The principle was recommended, although not the exact figure, by the President of the United States when he recommended that some action be taken on that question for the purpose of keeping the benefits of our farm program for the bona fide families.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. Will the Senator tell us how he arrived at the limitation of \$25,000? In some types of farming that is all or more than a family can produce. In other types of farming a single family can produce forty, fifty, or sixty thousand dollars' worth of commodities on the farm. In certain types of farming if \$50,000 worth of commodities were not produced, the farmers would not be able to engage in that type of farming.

If the Senator from Delaware thinks that a limitation of \$25,000 would be enough to cover family farms, I point out that family farms are producing more each year. They have to get more equipment and make larger investments. As a consequence, the farmers must produce more to maintain an adequate return on their investment.

I think the Senator from Delaware has a good idea. A few years ago I think \$25,000 would have been a good limitation. Former Secretary Brannan, I think, proposed that the limitation be \$24,000 under the Brannan plan. But times have changed somewhat.

Frankly, I should think that if the figure were doubled, it would be more nearly applicable to farmers generally, and would at the same time have the effect of cutting out some of the million-dollar loans. While we do not have too many of those, they are an irritation to the public generally.

Mr. WILLIAMS. I might say to the Senator from Vermont that I am not wedded to the figure \$25,000. The reason that figure was used was that in obtaining figures from the Department of Agriculture, the \$25,000 figure was used in considering the effect it would have. I have not studied what the effect would be if the figure were increased to \$40,000 or \$50,000. It would not affect farmers in my area, but if it could be shown that in other areas \$25,000 would cause undue hardship, and \$50,000 would be more realistic, I would not have any objection to modifying my amendment. The principle involved is that the amount of the payments should stop at a point where corporate-type farming would not be carried on at the expense of the taxpayers.

Mr. AIKEN. If the figure of \$25,000 were applicable to the net income of the family, it would be adequate. However, I can conceive of a single farm family producing \$25,000 worth of commodities, and at the same time not netting more than \$3,000.

Mr. MORSE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. MORSE. That amount could not be applicable to great family wheat operations, where one family may have several thousands acres in dry farming in our wheat region. A limitation of \$25,000 should not preclude such operations from consideration, because the cost of the combines and other machinery is so high that the operations of farmers in that category necessarily must involve commodities worth at least \$25,000 a year.

I suggest that the figure in the amendment be enlarged to at least \$50,000, and I am not sure that even then it would cover some of our farm families. I am not talking about corporate wheat farmers but family wheat farmers.

Mr. WILLIAMS. I certainly would not want to restrict the program so that it would not function in cases of family farming in Oregon or elsewhere. As I said before, since offering the amendment and having had it printed—suggestions were made that perhaps the amount was not sufficient. I said at that time that if Senators in areas which were affected felt that the amount should be higher, I would not oppose such a change in the amendment. I think we all want the program to protect bona fide family-type farms. I certainly am not trying to restrict the amount in such a way as to hamper them.

I understand the Senator from Utah has suggested that the amount be \$50,000. I shall be very frank and say that since the amendment was printed further study has shown that the figure \$25,000 might be a little low and unrealistic and I will not oppose any effort

to raise it if it be decided that such action be necessary.

My only interest is to preserve the principle of keeping our farm program benefits for the farmers.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WATKINS. Does the Senator realize that on February 22, 1956, I offered an amendment to make the restriction \$50,000?

Mr. WILLIAMS. I so understand.

Mr. WATKINS. I have been waiting for a time to call up the amendment. I have had some study made of what that restriction would do to the family-size farm. As has been pointed out, \$25,000 would be too restrictive for family-sized operations in the West. I think \$50,000 would be more realistic. I wonder if the Senator from Delaware would accept, as an amendment to his amendment, the figure \$50,000 rather than \$25,000.

Mr. WILLIAMS. I may say to the Senator from Utah that if Senators from the areas affected believe that \$50,000 would be more realistic, then I would have no objection to that figure, because what we are trying to do is stop the payment of several hundred thousand dollars to a few absentee farmers or to a few groups that are operating large, corporate-type farms.

If the larger figure be necessary in order to provide protection for the areas in the West where there are large farming operations I certainly shall not object to revising the figure as the Senator has suggested.

Mr. WATKINS. Will the Senator from Delaware be willing to have his amendment amended so as to provide for \$50,000, instead of \$25,000?

Mr. WILLIAMS. Yes; or perhaps we could modify my amendment in that way.

Mr. CARLSON. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. CARLSON. I commend the Senator from Delaware for the principle of his amendment, which I believe needs careful attention and study. In connection with the amendment, I wish to raise a practical point. If a man feeds 100 head of steers at 1,000 pounds each, at \$20 a hundred that would be \$20,000. That is not a large operation, but there are many of that sort; and in connection with such operations, this proposal should have some study and some thought.

Mr. WILLIAMS. Of course, that particular type of operation would not be affected by the amendment.

Mr. CARLSON. But that involves farm income. How would the amendment be limited?

Mr. WILLIAMS. The amendment applies only to loans to farmers, for support of the agricultural crops produced on the farm.

Mr. CAPEHART. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Delaware yield to the Senator from Indiana?

Mr. WILLIAMS. I yield.

Mr. CAPEHART. I have several questions to ask. Under the bill, farmers are

to be paid in connection with the soil bank and in connection with the acreage control and in connection with the conservation control, and then the farmer is going to be able to borrow money on his crops, under the price-support program. My first question is this: Does the limitation of the amendment apply to all 3, or to only 1, or to several?

Mr. WILLIAMS. The limitation before us applies only to loans made on supported crops. It was my intention, when offered the amendment, to deal only with this question now.

Mr. CAPEHART. The amendment applies only to the loans made on the products themselves, does it?

Mr. WILLIAMS. That is right. Immediately after disposing of this amendment, I shall offer an amendment which will be applicable to the other two phases of the operations, namely, the acreage reserve and conservation reserve.

Mr. CAPEHART. Then let me ask this question: What we are talking about now is, is it not, a limitation on the amount which any one farmer can borrow—as the support price—on the agricultural commodities he raises?

Mr. WILLIAMS. Yes.

Mr. CAPEHART. Then I wish to ask another question. Of course, as the Senator from Delaware understands, no farmer can borrow at the support price unless he has paid the penalty by reducing his production.

Mr. WILLIAMS. That is correct.

Mr. CAPEHART. If he does not reduce his production or his acreage, he does not have a right to borrow at the support price.

Mr. WILLIAMS. Yes. He must be in compliance to receive supports.

Mr. CAPEHART. Then does the farmer, in order to be able to borrow up to \$25,000 on the grain he has grown—or up to \$50,000, if the amendment is modified to that extent—have to comply with the acreage controls only to that amount, or does he have to comply with acreage controls in respect to his entire farm?

For example, suppose a farmer has 1,000 acres of corn, and suppose he would like to plant all those acres to corn. Suppose that under the acreage controls, in order to comply with the loan provisions of the act, he is allowed to plant only 800 acres. In that event, he can do nothing with the remaining 200 acres.

Then let us suppose that on the 800 acres he grows corn, and produces 60 bushels of corn to the acre—which in that event would be 48,000 bushels. At an average price of \$1.50, which he might obtain as a loan under the existing policy, that would be approximately \$80,000. I understand that the original amendment of the Senator from Delaware proposed a limit of \$25,000, but I understand that now he proposes to increase the limit to \$50,000. If it is to be limited to \$50,000, and if the support price is going to be \$1.50, that farmer would be able to receive the support price for only approximately 30,000 bushels. If he obtained an average of 60 bushels to the acre, under the circumstances he could obtain the price sup-

port for the production from only 500 acres. In other words, does the amendment limit him, in that case, to obtaining the support price for the production from only 500 of his 800 acres? In that event, what will be the situation as regards to the remaining 300 acres.

Mr. WILLIAMS. Under the amendment the farmer can grow crops on the full amount of his allotment; but he will be able to obtain support prices only up to the amount we specify.

Mr. CAPEHART. He still may grow crops on as many acres as he wants to farm?

Mr. WILLIAMS. Yes. It is not possible to stop him from producing. But the Government will not support the excess production.

Mr. CAPEHART. Oh, yes; that can be provided in the bill. He cannot obtain a price-support loan unless he has complied with the acreage controls.

Mr. WILLIAMS. That is true. But if he complies with the acreage allotments, and assuming that he has enough production to obtain a \$300,000 loan, the point is that under the amendment he can obtain from the Government only the amount of the loan for which we now provide. That could sell the rest of it on the free market.

Mr. CAPEHART. I am in accord with the purpose of the Senator's amendment, but I think we should make very clear just what we are dealing with. Let us say that the amendment is limited to \$50,000, and that a farmer has 1,000 acres of corn, and grows 50 bushels to the acre, and the support price at the moment is \$1.41—as I think it will be this year. That would amount to approximately \$75,000 worth of corn. The amendment would permit him to obtain loans up to \$50,000. My point is that, under the law, he would have to reduce his acreage or else he could not obtain the \$50,000, or whatever may be the total amount. Under those circumstances, can the farmer plant all 800 of his acres, or must he limit his planting to 500 acres?

Mr. WILLIAMS. He must limit his planting to his allotted acres if he gets price support on any crop.

Mr. CAPEHART. Then we would be very unfair to the wheat farmer and to the corn farmer, and then we would prevent the accomplishment of the very thing we are trying to do, namely, to get the farmers to take some of their acreage out of production. I say that because if the amendment is to operate the way the Senator from Delaware has just explained—although I do not think it should operate that way; I think we should change the amendment—any farmer whose production amounted to more than \$50,000 would not participate in the acreage reduction. If that happens there will be an increased production of corn and wheat, because the large farmers, who produce the greatest amounts, will not participate.

Mr. WILLIAMS. If they are going to produce to that extent, let them do so without having the benefit of the Government's support price.

Mr. CAPEHART. Yes; I agree.

I have no objection to the proposed \$50,000 limitation, but my question is whether the farmer has to comply with the acreage controls, even in order to get the \$50,000.

Mr. WILLIAMS. Yes.

Mr. CAPEHART. Then it simply will not work.

Mr. WILLIAMS. Perhaps it will not; but the Department thinks it will, and the President has recommended it. If a farmer has an acreage allotment for 1,000 acres of corn, either he will comply to the extent of the 1,000 acres, or he will not comply.

Mr. CAPEHART. Let us say that a farmer is allotted 1,000 acres as his percentage of the total of 51 million acres of corn; and let us assume that normally he produces 60 bushels to the acre.

That would amount to 60,000 bushels from the 1,000 acres. At the \$1.40 support price, that would amount to \$84,000, would it not?

Mr. WILLIAMS. That is correct.

Mr. CAPEHART. Under the amendment, he would be permitted to obtain loans up to \$50,000, would he?

Mr. WILLIAMS. Or whatever we agree upon here.

Mr. CAPEHART. What will happen to the remainder?

Mr. WILLIAMS. The remainder would be on the free market, just as if the farmer were not in compliance at all. I do not see how anything else can be done.

Mr. CAPEHART. My point is that then we would penalize him by making him reduce all his acreage in the same proportion as everyone else did if he wished to obtain the support price.

Mr. WILLIAMS. If he wishes to obtain the support price, he will have to be in compliance.

It would always be possible that he might completely disregard all compliance, plant all his acreage outside the program, and sell any amount of his crop he wished on the free market. I do not see how it could be otherwise. But the Government would not be underwriting the operation.

Mr. CAPEHART. The Senator proposes to compel him to reduce his acreage by about 25 percent on 1,000 acres in order to get the support price on 750,000 bushels, which would represent about 400 acres.

Mr. WILLIAMS. We do not propose to compel him, but we propose to tell him that if he wishes to get the benefit of the support price to the extent we agree upon, he will have to comply.

Mr. CAPEHART. In my opinion, he will not do it. He will continue to grow all the corn he can grow, even though he takes a lesser amount for it, and we shall defeat the very purpose we are trying to accomplish, and that is to control production.

Mr. WILLIAMS. I do not think so; but experience will tell.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CASE of South Dakota. It is difficult for me to see that this proposal would penalize very many farmers. I have before me a table showing the num-

ber of loans, the total loan value, and the average loan value, with respect to seven major 1953 grain crops. The table is dated January 24, 1956. It was supplied by the United States Department of Agriculture.

The table shows that in 1953, of practically 300,000 corn loans, there were only 104 with respect to which the total ran over \$25,000.

Of approximately 600,000 wheat loans, there were only 1,468 that were over \$25,000.

Of approximately 44,000 oats loans, there were only 10 that went over \$25,000.

Of approximately 35,000 barley loans, only 66 went over \$25,000. Of approximately 34,000 sorghum loans, only 25 were over \$25,000.

Of approximately 60,000 soybean loans, only 5 were over \$25,000.

Of approximately 58,000 flaxseed loans, only 18 were over \$25,000.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CAPEHART. I think the Senator is 100 percent correct in principle. The situation he has outlined is the reason why we have surpluses today. That is the reason we have low farm prices. The farmers did not comply. They grew as much as they wanted to grow, and we have surpluses which push prices down. Had everyone complied with acreage control on wheat, corn, and other crops, we would have no surplus today, and the prices of all those products would be 50 or 75 percent higher than they are today. What we are trying to do is to find a method of reducing production, so that prices of farm products will go up to where they belong in the marketplace. Let us make sure that we are not doing something which will increase production rather than decrease it.

Mr. WILLIAMS. I point out to the Senator from Indiana that the President made this suggestion as a part of his recommendations.

Mr. CAPEHART. I know that.

Mr. WILLIAMS. The larger growers can still do what the Senator suggests. They can plant without regard to the support program. All we are doing is saying that if they want the benefit of support prices, they must be in compliance.

Mr. CAPEHART. If they plant as much as they desire to plant, can they still borrow up to \$50,000?

Mr. WILLIAMS. Not unless they are in compliance on acreage allotments.

Mr. CAPEHART. If they cannot, and a producer must reduce his acreage by 25 percent—and that is about what it amounts to for corn this year—he cannot possibly afford to comply. He cannot comply with acreage control on anything. The result will be that there will be more production instead of less.

Mr. WILLIAMS. I point out to the Senator the impossibility of doing as he proposes, that is, allowing them to plant any amount, and to borrow up to \$50,000. More than one million farmers participated in the program last year. Less than 2,000 would be affected by this amendment.

Mr. CAPEHART. More than one million complied?

Mr. WILLIAMS. More than one million farmers had loans.

Mr. CAPEHART. On corn, soybeans, and wheat?

Mr. WILLIAMS. Yes.

Mr. CAPEHART. One farmer might have had several loans.

Mr. WILLIAMS. What I am pointing out is that if we were to say that there shall be no rule for compliance with respect to the acreage planted in order to make a farmer eligible to borrow \$50,000, we would be turning loose 998,000 farmers who could grow all they wished, up to \$50,000 worth. That would be impossible.

Mr. CAPEHART. All I am trying to do is to make certain that we do not get more production rather than less, thereby further reducing the prices in the marketplace.

Mr. WILLIAMS. The Department agreed that if the plan would work, perhaps this would be the best method. As to the exact figure, whether it should be \$25,000, \$50,000, or some other figure, the Department left that more or less to the discretion of Congress. I think we are all in agreement as to what we are trying to achieve, namely, to preserve the benefits of this program for the family-sized farm.

I think this is the method to achieve that goal.

Mr. CAPEHART. What we are trying to do is to reduce the surpluses, so that farm prices in the marketplace will be 100 percent of parity or more. We should not become confused as between the little farmer and the big farmer, and thereby defeat the object of the program. Whether the big farmer grows X number of bushels of corn, or whether the little farmer grows it, it is still X number of bushels, which creates a surplus. That is what governs the price. Let us not become confused over any factor except bushels. That is what will govern the price. If the big farmers withheld corn from the market, there would be a higher price in the marketplace, and the little farmer would be helped. It is the little farmer who does not have storage space, and must sell his corn.

Mr. WILLIAMS. It is a matter of opinion. I am merely presenting my own opinion.

Mr. CAPEHART. I am in favor of the principle; but we must not lose sight of the objective.

Mr. WILLIAMS. Mr. President, I wonder if the Senator from Louisiana [Mr. ELLENDER] wishes to say anything on this amendment at this time.

Mr. WATKINS. Mr. President, will the Senator yield for a moment?

Mr. WILLIAMS. I yield.

Mr. WATKINS. I submitted an amendment to strike from the amendment of the Senator from Delaware the figure of \$25,000, and substitute \$50,000.

Mr. WILLIAMS. Let me say to the Senator from Utah that I will go along with his amendment. However, from the parliamentary standpoint, his amendment would not be in order until all time on my amendment had been exhausted or yielded back. So if the Sen-

ator will temporarily withhold his amendment until the appropriate time, I assure him that it will be acted upon before a vote is taken on my amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CASE of South Dakota. In the light of the figures in the table which I read, I was about to suggest that if a change is made from \$25,000 to \$50,000, the \$50,000 be applicable to multiple loans. A producer may be getting loans on more than one commodity. In the light of the table, if a small loan is being made for a single crop, the figure of \$25,000 has merit. But if it is to apply to multiple loans, loans on more than one crop, the amount might better be \$50,000.

Mr. CAPEHART. Does this amendment cover multiple loans?

Mr. WILLIAMS. A farmer can borrow up to the \$25,000 or \$50,000 amount agreed upon.

Mr. CAPEHART. Is it limited to loans upon a single grain?

Mr. WILLIAMS. It could be all on one single crop but if the farmer has several supported crops then it would act as a ceiling on all.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

We have not been proceeding in too orderly a manner. I presume that all the time which has been consumed so far in this question-and-answer period has been charged to the proponent of the amendment. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ELLENDER. I wish to advise the Senate that the committee gave much study to the problem of limiting the amount which might be borrowed by a producer of a commodity under the price support program, or sold to the Government under a purchase agreement. As I recall during our executive sessions a very prominent representative of the Department of Agriculture specifically stated that the Department, too, had given much study to this problem, and that, up to that moment no conclusion had been reached.

Mr. President, the limitation contained in the amendment—\$25,000—not only is unrealistic, but I believe my good friend from Delaware has overlooked the whole purpose of the price support program. It is not to be considered a subsidy. The purpose of the price support program is to give an opportunity to any producer of a supported commodity to withhold his commodity from the market when it would otherwise depress the market. This has worked well with the basic commodities and the storable non-basics. Thus the price support program, from its inception, has benefited farmers greatly by making it possible for a farmer to hold his production during times of harvest, or otherwise when prices are seasonally low. This is done by lending a farmer money, with his crop as collateral. If the market rises, the farmer can pay back his loan, redeem his crop and sell it on the higher market. In no manner, Mr. President, is the price support program of loans and purchases a subsidy program. Now, as to those bene-

fitting most from this program, I think the record will show that as to the larger producers—particularly those growing cotton, rice, and also wheat—the Commodity Credit Corporation had to take over only a relatively small amount of those commodities placed under loan. Most of them, I understand, repay their loans as they are able to market their commodities at a better price. I repeat, this amendment would tend to draw all production of small producers into Government stocks, leaving the market to the larger producers. If sufficient commodities were put under loan, the withdrawal of such stocks from the market would tend to support the market price for all producers, both large and small, and this amendment would be ineffective. On the other hand, if this amendment so curtailed price support operations that they were not effective to support the market price to producers, the price support program would be rendered ineffective.

I wish to emphasize again that the Committee on Agriculture and Forestry gave considerable study to the possibility of limiting price support payments. Our committee received various methods and proposals for doing so. One method was to begin with a 90-percent support price to apply to the production of only a specific amount of basic commodities. For example, it, in effect, was proposed to support only the first 1,000 bushels of corn, or perhaps 25 bales of cotton, or 2,000 bushels of wheat, produced by a farmer. As the farmer produced more, it was proposed to lower the support level as the production per farm increased.

After studying that proposal, the committee decided that it would be impractical—that the Government would end up by taking into its possession practically all of the production from the smaller farms. We felt that, in practice, as the support price lowered, market prices would stabilize at or around the lower support levels. This, of course, would certainly do violence to the market, and would result in the small farmers producing almost entirely for Government warehouses, since the support level, as to their crops, would be higher than the market price.

This effect, Mr. President, would be demoralizing and it would result in the Government holding more high-priced wheat or high-priced cotton than it should.

Members of the Senate must remember that the price-support program is not a subsidy. The Government lends money to a producer and takes his crop as security in order to help the farmer protect his market. That is how and why it operates, and not for any other purpose.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. The Government does even lend the money. The Government guarantees the money at the farmer's local bank. It never puts up any money itself.

Mr. ELLENDER. It works that way, but the program's financing is actually handled through the Commodity Credit Corporation.

Mr. CAPEHART. The farmers borrow money from their local bank, and the Commodity Credit Corporation guarantees the repayment of the loans.

Mr. ELLENDER. That is correct with respect to the program of crop loans.

Mr. CAPEHART. Yes; and the loan is paid back to the bank, or the Government receives the wheat or whatever it is. That is how the Government has acquired its present surpluses.

Mr. ELLENDER. I do not wish to take the Senate's time by dwelling on the operation of the program. It has been discussed many times on the floor of the Senate.

I do, however, want the RECORD to be perfectly clear on the point of how much the price-support program in the basics has cost the Government. As of November 1955, the Government has not lost a dime on its cotton loans. As to price support for all basics, from 1933 to November of last year the entire loss to the Government during that entire 23-year period was less than a half billion dollars—less than \$22 million per year. It would be folly to defeat the operation of this program by limiting the amount that a farmer can borrow on the commodity he produces by, in effect, treating this program as a subsidy.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. I believe the Senator from Louisiana has put the matter in a logical light so far as the purpose of the provision is concerned. However, I believe there is one phase of the question which is being overlooked, and that is this: The purpose or the intent of the amendment is to encourage the family-sized farm, rather than the large corporate operation. That is another element, of which I am sure the Senator is aware.

Mr. ELLENDER. How would the amendment accomplish that?

Mr. CASE of South Dakota. Let us take wheat, for example. It would tend to encourage operations within the size of the limit, rather than to encourage someone either to buy or to rent a number of acres, and then request a large loan. In that respect, many of the people of my State feel that some limitation would tend to encourage the family-sized farm, rather than the corporate operations.

Mr. ELLENDER. The mere fact that a small farmer knows he can borrow up to almost any amount should not discourage him from continuing his farming operations. In fact, it should encourage him by offering an incentive to increase his efficiency and scope of operations. The small farmer should not be doomed to remain a small operator.

Mr. CASE of South Dakota. The amendment would not discourage the small farmer, but it might tend to discourage the large corporation operator.

Mr. ELLENDER. I cannot see that at all, if I may say so to the Senator.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LANGER. Does not the Senator from Louisiana admit that the provision

would encourage a farmer to rent thousands and thousands of acres, perhaps Indian land, and raise enormous quantities of wheat, if he could secure a loan of \$100,000 or \$200,000 or \$300,000?

Mr. ELLENDER. The total lands he can plant to the basics is limited by quota of allotted acres. If he had no acreage-allotment program, the argument of the Senator from North Dakota might apply. Let us not forget that, whether a farm is large or small, whether it is a corporate farm or individually owned, the acreage that can be planted to the basic commodities is limited to the farm's acreage allotment.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. LANGER. The Senator, I am sure, knows that some farms are as large as 60,000 acres.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. I yield myself 5 additional minutes.

The primary reason that the smaller farmers are going out of the picture is due to their inability to finance the purchase and operation of the modern-day farm machinery required to maintain an efficient output. The small farmer does not have enough volume to justify the investment in expensive labor-saving machines. That factor more than anything else has caused many of the smaller farmers to fall by the wayside. I can speak from personal experience. I used to farm before I came to the Senate, and continued for some years after I came to the Senate. Among other crops I planted sugarcane. My sugarcane operation was not large enough to justify my purchasing a mechanical canel loader or mechanical canecutter which, with two men, would eliminate the need for the services of 75 men. When I found that my brother, who had a fairly large sugarcane operation, could by use of a mechanical canel loader and canecutter, harvest sugarcane and deliver it to the factory at about 95 cents a ton, compared to my cost of \$2 a ton, I realized that I could not remain in business unless I were prepared to substantially increase my farming operations. I chose to get out of farming.

To my way of thinking, that is one of the main reasons why many of the smaller farmers operating with a couple of mules or a few horses, as we have seen on the prairies in the Senator's State, have had to say, "I cannot afford to mechanize; I do not have enough funds for that purpose, and my operations are not large enough." Such farmers have had to lease their farms or sell them. I do not think price supports have had anything to do with it.

Mr. CAPEHART. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Mr. President, I think the Senator should make the record unequivocally clear at this point, so that no one could misunderstand it. I think there is a good deal of misunderstanding at the present time. No farmer can borrow at the support prices unless

he has reduced his production. He must make a sacrifice in order to borrow.

Mr. ELLENDER. That is correct.

Mr. CAPEHART. This year the corn acreage is going to be cut. Every farmer must grow 21 percent less acreage to qualify for the support price. He does not receive it free; he has to make a sacrifice. He has to cultivate a smaller number of acres. That applies on corn, oats, soybeans, and so forth. The farmer has to reduce the acreage he has been cultivating in the past. If every farmer had complied with the acreage control there would be no surpluses today. There would be no low prices in the market place. Prices would be 100 percent or more of parity. The farmer who is entitled to borrow—and that is what he does; and he has to pay the loan back—is the one who reduces his acreage and grows less production.

Mr. ELLENDER. My friend has anticipated my next point.

Mr. CAPEHART. I am sorry.

Mr. ELLENDER. I am glad the Senator brought it out. But that is exactly the point I was in process of explaining when my good friend from North Dakota asked a question.

Take the corn grower, for instance. What happens? The Secretary of Agriculture, under rules and regulations he proposes, states to the farmers who grow corn in the commercial area that if the acreage is reduced to 43 million acres plus, the Government will see to it that they may borrow at a certain percent of parity. It does not apply to all the corn that can be grown; it applies only to the corn produced by a farmer who stays within his allotted acreage. That is it, in a nutshell. If that provision is stricken from the RECORD I think we shall do violence to the whole farm program.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield further?

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Does the Senator from Louisiana yield to the Senator from North Dakota?

Mr. ELLENDER. I yield for a question.

Mr. LANGER. Mr. President, the distinguished Senator from Louisiana is very eloquent and very persuasive, but, unfortunately, he does not get the idea of either the Senator from North Dakota or the Senator from South Dakota.

Here is a farmer who has 50,000 acres. Certainly, under this amendment, he would not take advantage of it if the amount of the loan should be limited to \$25,000.

As I understand the argument of the Senator from South Dakota, the purpose is to serve the small farmer, instead of the one farming 50,000 acres, of which we have illustrations in the West. If I am incorrect, I hope my friend from South Dakota will correct me. But I think that is the purpose of his question.

Mr. ELLENDER. It will not work that way, as I suggested to my good friend from South Dakota. The large wheat grower for example, cannot buy land tomorrow and plant it to wheat the next day and obtain price support on his new production. If the Secretary of Agriculture submits to the wheat growers as he has done this year, a national

acreage allotment permitting the planting of 55 million acres of wheat, there are certain conditions that the larger farmers must meet in order to make themselves eligible to obtain price support loans on their wheat crop. They must comply with acreage allotments, for one thing. Also, if a farmer overplants his land to wheat, beyond the acreage he is authorized, he is subject to marketing penalties.

The same thing applies to peanuts, cotton and the other basic commodities, except for corn, which has no marketing penalty in its program.

The committee has from time to time given study to the subject of price-support limitations, but they have come to naught. They are incompatible with the very nature of the price-support program. I can well understand that if this were a direct subsidy, it would be much easier to place and justify a limitation on it.

Mr. CAPEHART. And we should.

Mr. ELLENDER. We should, by all means. It has been done in the past, for example, with respect to payments for soil-conservation practices under the ACP program.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. LANGER. The Senator will remember that it took 2 years to get that limitation under soil conservation.

Mr. ELLENDER. But we got it.

Mr. LANGER. And we are trying to get this limitation.

Mr. ELLENDER. I know but as I said to my good friend, there is a basic difference between the types of programs involved. The price-support operation is not a subsidy, it is not in the same category as the ACP program.

Mr. LANGER. It would stop a man from farming 50,000, or 60,000, or 70,000 acres of land.

Mr. ELLENDER. Mr. President, it is useless to argue further. My eloquence has not done much good, so far as my friend from North Dakota is concerned, but I must bring up another point. Quite conceivably a corporation or a farmer who could incorporate would break his farming operations into separate farms to the point where the entire production would qualify for price support under the limitation now proposed. The committee realized the limitation would be very difficult to carry out.

Mr. CASE of South Dakota. Mr. President, I wonder if the Senator from Delaware [Mr. WILLIAMS] will yield me 5 minutes.

Mr. WILLIAMS. Yes.

Mr. ELLENDER. Mr. President, I had agreed to yield a few minutes to the Senator from New Mexico [Mr. ANDERSON]. I understand he desires to speak, but that can be done a little later.

Mr. CASE of South Dakota. Mr. President, the point which the able chairman of the committee has made with reference to the penalty brings up exactly the point I wish to make clear. The penalty for the large operations of the big operators does not fall upon the big operators with its most penalizing effect, but upon the small operators.

There is a county in my State known as Perkins County. When there were no restrictions during the war, wheat production blossomed out in that county as it did through a great part of the northern Great Plains area. It went to a national total of between 70 million and 80 million acres. When we returned to acreage allotments again a few years ago, a large percentage of acreage allotments applied to the little farmer who had not been able to expand as much as had the big farmer, and the little farmer was the one who was penalized. The able Senator from Louisiana has spoken about the necessity of doing something for the small operator so he can pay for his machinery and equipment.

That is exactly the problem about which I am concerned, because the small farmers were not able to expand their operations. They did not have the necessary capital. Many of them were GI's who came back after the war to try to take up farming again. They did not have the money, as some of the big operators had. They had to rent some land in Kansas; they had to rent land in Nebraska; they had to rent it in South Dakota and North Dakota.

It was the big operators who were the ones who plowed up land which ought not to have been plowed up again, except for a war emergency. But when we established crop limits again, we did not go back to the historical base of wheat acreage. We took acreage which had been planted in the war years. So when we applied a 15-percent reduction, we applied it to the 15-percent expanded operations of large operators and also to the stabilized operations of the small operators.

Some of the small farmers in Perkins County have had a reduction of 30 percent in their wheat acreage on a farm which was a small farm to begin with. Today they are at a point where they cannot, even if they grow a crop on every acre which is allotted to them, get enough return to take care of the investment they have in their machinery and equipment. They are the ones who are having difficulties as the result of the expansions by the large operators.

That is why I have some sympathy with the amendment. I should like to see the small farmers protected in some way. I should hate to see them pay for the expansion of the large operators, who come in and operate corporation type of farms. That is what I mean when I speak of the value of this operation.

If we should cut off 1,400 of the large operators from a total of 600,000, those operators could still plant within their allotment.

I want to save the little farmer from having to take a penalty as the result of the expansion on the part of the large farmer.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. CARLSON. Some of the small farmers are the ones who have been practicing good soil conservation by planting legume crops. I know a farmer who has 160 acres of land. He used to grow 80 or 90 acres of wheat. His

wheat allotment now is 31 acres. He has told me this will be the last year he will be able to farm.

Mr. CASE of South Dakota. With 30 acres, he does not have enough yield to take care of his investment in his combine and other equipment which are necessary to plant and harvest wheat. So he is finally squeezed out, and the big operator comes along with a full fleet of combines. He can perhaps rent his equipment to other farmers and march up through the Wheat Belt according to the seasons.

Mr. CAPEHART. Mr. President, will the Senator yield me 3 minutes?

Mr. ELLENDER. I yield 3 minutes to the Senator from Indiana.

Mr. CAPEHART. The difficulty is that we are considering an amendment but are talking about an entirely different subject. I am in hearty accord with the difficulty in which the small farmers find themselves. But that is not covered by the amendment under discussion. The amendment we are now considering would not help the little farmer at all. It would not do anything to aid him. In my opinion, it would hurt him, because it would enable the big farmer to grow an unlimited amount of crops, thereby building up the surpluses and further depressing prices.

What we are trying to do in the bill—if we are not, then certainly we ought not to be considering a soil bank—is to try to reduce production, and thereby to raise prices in the market place.

If it is proposed to take away from the big farmer and give to the little farmer, that is something else again. But the amendment does not do that at all. The amendment, in my opinion, will hurt the little farmer, rather than help him.

As I said in the Senate the other day, what we ought to do is pass a law having a complete, 100-percent reallocation of acres in the United States, in order to take care of the very situation about which the able Senator from South Dakota has spoken. Over the years there has been no reallocation of acreage. There has been a lot of shifting. Some farmers have increased their acres; others have decreased them. There ought to be a fairer, more equitable allocation of acres. But that is not the purpose of the amendment at all. It has no relationship to the amendment.

What we are talking about is limiting the larger farmer in the amount of supports he may receive, thereby forcing him to harvest all his acres, and denying him the right to participate in the program at all, which means that he will grow more corn, instead of less, and more wheat instead of less, thereby further depressing the little farmer's economy, because under the amendment the little farmer will continue to get the same price, and at the same time will have the same number of acres which he has been allocated. Those acres may not be enough, and the allocation may not be equitable to the little farmer. But that is not what the amendment proposes at all. The amendment does

not even touch that subject; it relates to an entirely different subject.

Mr. CASE of South Dakota. I think the able Senator from Indiana has put his finger upon what ought to be done, namely, to go back to the historical base which existed prior to the Agricultural Adjustment Act of 1938. We ought to return to a true base, rather than to use a base which developed as a result of the spurred production incident to the war.

Mr. CAPEHART. There is no question about that. I am in sympathy with the Senator's views, but I do not feel the amendment we are now considering relates to that subject.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MUNDT. I am preparing an amendment to apply the flexible concept, about which we hear so much, to the problem of price supports for the small farmer. There should be price supports on a stipulated number of bushels at a relatively high support price, and then we should graduate the support price downward as production increases. We should move in the direction in which the Senator from Indiana has spoken.

Mr. CAPEHART. Yes, if it is the desire to help the small farmer.

Mr. MUNDT. If it is desired to help the small farmer.

Mr. CAPEHART. I do not see how the amendment can possibly help the small farmer. It may penalize the big farmer, but I am sure that, in doing so, the small farmer will be hurt, because as production is increased, the market price will be depressed.

Mr. MUNDT. If it is desired to penalize the big farmer, what should be done is to make added production and additional acreage unprofitable.

Mr. CAPEHART. If it is desired to limit the acreage of the big operator, we could provide that he shall be allotted 75 percent as many acres, it is desired to aid the small farmer, we can say that he shall be allotted 90 percent. If it is desired to adopt an amendment which would discriminate between the small farmer and the big farmer on the number of acres, then the small farmer can be helped. That is what we ought to do, if we want to help the small farmer, but not do it on the basis of yield.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WATKINS. The big producer, if he gets soil-bank income for retiring his acreage, will have to comply with the law, and he cannot increase his acreage. We are not limiting him in the amount of cash he can receive. But if he intends to get any soil-bank aid, he must comply with the law. He cannot go on expanding and increasing, as the Senator from Indiana has indicated.

Mr. CAPEHART. I am fearful that he will not do it. I think he will grow all his acres, if he is not permitted to participate. If it is desired to offer an amendment whereby he is allowed to plant a smaller percentage of his total

acreage, and give to the little fellow a larger percentage of acres, that might help the little fellow.

For example, this year the acreage of all farmers is being cut about 20 percent. If we want to cut the farmer who plants 100 acres, 25 percent, and the farmer who has less than 100 acres, 15 percent, that will help the little farmer.

Mr. WILLIAMS. Mr. President, I yield 18 minutes to the Senator from Utah. I believe I have 23 minutes left.

The PRESIDING OFFICER. The Senator from Delaware has 23 minutes remaining.

Mr. WILLIAMS. I yield 18 minutes to the Senator from Utah.

Mr. WATKINS. Mr. President, the chief beneficiaries of the farm price support program have been, and are, the upper one-third of our farmers who produce 85 percent of the annual marketable crop value and who likewise receive 80 percent of farm income.

The family and per capita income picture for these farmers and their families compares very well with those of non-farm workers. The 1950 Census of Agriculture, published, for the first time, complete information on farm income received by an economic class of farm. The commercial farms are classified as follows:

Class I: Those farms which produce over \$25,000 worth of crops.

Class II: Those farms which produce more than \$10,000 worth, but less than \$25,000 worth.

Class III: Those farms which produce more than \$5,000 worth, but less than \$10,000 worth.

Class IV: Those farms which produce more than \$2,500 worth, but less than \$5,000 worth.

Class V: Those farms which produce more than \$1,200 worth, but less than \$2,500 worth.

Class VI: Those farms which produce over \$250 worth, but less than \$1,200 worth.

Analysis of these data reveals that—
First. Nine percent, or 484,000 of the farms produced 51 percent of the total value of all farm products sold.

Second. The average family income provided by these farms was \$6,585; nearly 2½ times the average of all farm families.

Third. The average per capita income of people living on these farms was \$1,594; also about 2½ times the average of all people living on farms.

The owners or operators of these 484,000 farms are, and have been, receiving the largest subsidies under the price-support programs. One private research organization recently reported that 1.9 percent of our farmers received 25 percent of the price support subsidy in 1953.

The largest loans made under the price-support program are those made to corporation, not family, type farms. For example, in 1953 the largest wheat loans were made to—

First. The Harrigan farms of Prosser, Wash., which placed 152,840 bushels under loan in the amount of \$354,339.

Second. The United States Wheat Corp., of Hardin, Mont., which placed 184,516 bushels under loan in the amount of \$348,646.

I should also like to point out that 1,468 loans of over \$25,000, with a total loan value of \$63,437,759 were made on the 1953 wheat crop. Their average loan value was \$43,214.

At the other end of the price support ladder, 554,058 loans under \$5,000, but totaling \$713,517,921 with an average loan value of \$1,288 were made by the Commodity Credit Corporation.

With respect to corn, the largest loans on the 1953 crop went to—

First. Adams Bros. & Co., of Odebolt, Iowa, which placed 124,800 bushels of corn under loan at a face value of \$190,944.

Second. Emil Sovich, of Rensselaer,

Ind., who placed 102,648 bushels under loan in the amount of \$166,289.76.

On this corn crop, the Commodity Credit Corporation made 104 loans of over \$25,000, with a total loan value of \$3,575,440. The average value of these 104 loans was \$34,379. At the other end of the subsidy ladder, 283,605 loans under \$5,000 in value, but totaling \$503,449,500, were made. These loans average \$1,775.

So that the Senate may see the magnitude of the subsidy program to large operators, I ask unanimous consent that table 3 of the United States Department of Agriculture's January 1956 publication, Summary of Sample Survey of Size of Major 1953 Crop-Grain Loans, be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—Number of loans, total loan value and average loan value, 7 major 1953 grain crops

Grain crop	Under \$5,000	\$5,000 to \$10,000	\$10,000 to \$25,000	Over \$25,000
Wheat:				
Number of loans.....	554,058	26,184	9,496	1,468
Total loan value.....	713,517,921	171,245,681	130,731,400	63,437,759
Average loan value.....	1,288	6,540	13,767	43,214
Corn:				
Number of loans.....	283,605	10,842	957	104
Total loan value.....	503,449,500	69,913,395	12,357,165	3,575,440
Average loan value.....	1,775	6,448	12,912	34,379
Oats:				
Number of loans.....	42,845	408	59	10
Total loan value.....	32,307,931	2,763,937	814,485	271,984
Average loan value.....	754	6,774	13,805	27,198
Barley:				
Number of loans.....	33,185	518	183	66
Total loan value.....	29,817,683	3,559,516	2,772,665	6,364,144
Average loan value.....	899	6,872	15,153	96,424
Sorghum:				
Number of loans.....	30,753	1,643	401	25
Total loan value.....	38,910,506	11,863,572	5,783,510	1,002,869
Average loan value.....	1,265	7,221	14,423	40,115
Soybeans:				
Number of loans.....	59,717	746	56	5
Total loan value.....	71,089,904	5,108,484	976,860	189,982
Average loan value.....	1,190	6,848	17,444	37,996
Flaxseed:				
Number of loans.....	56,907	562	56	18
Total loan value.....	52,781,564	3,362,395	762,966	520,361
Average loan value.....	928	5,983	13,624	28,909

Mr. WATKINS. Mr. President, the lack of a limit upon the amount of price-support assistance a farmer can receive gives, in my opinion, unnecessary financial assistance to a great many of the 103,231 farms in the first economic class of farms, which, as defined by the Census Bureau, produces products valued at more than \$25,000.

While it is clear that during certain periods even these farms may need some price-support assistance, it is equally clear that many of them simply do not need unlimited price-support assistance. Many of these farms will year in and year out return to their owners net incomes much higher than 90 percent of what our people ever hope to receive. This they would do even if they never received a dime in price-support subsidy.

This can be done by those who operate the more profitable farms by applying to their lands just the right amount of labor and machinery which will produce the largest possible volume at the lowest possible cost per unit of output. This, of course, results in the highest gross income possible of achievement with that particular size of farm.

The American people are getting tired of seeing \$350,000, \$500,000, and \$1,000,000 loans made to the farmers who already are the best off financially. My amendment, Mr. President, is designed to give full protection to efficiently operated family-type farms by setting the maximum limit at \$50,000 with respect to the products of any one farm. On the other hand, it will stop unlimited assistance to those corporation farms which simply do not need it.

My reason for setting the maximum limit at \$50,000 is that any lesser amount—\$35,000 or \$25,000, for example—would serve to force from the program too many of the large operators producing such a large volume of many commodities. Should such producers forego price support, due to such a low limitation, and throw their whole production upon the market, the result might well be to lower the market price and, thereby, operate directly against the purpose of price support, which is to raise the market price.

In conclusion, Mr. President, I submit that the figure \$50,000 is realistic. It fits the situation, and will not tempt too many farmers to ignore the entire price-

support program and produce unlimitedly, as they have a right to do; but will keep in the program practically all the production, and at the same time will place the emphasis where it is needed, namely, upon the small farmer.

That is why I prepared my amendment with the figure \$50,000. It takes care of the average family-sized farm, it works no hardship on any one farmer, and does not give a premium to those who can make a profit even though they have no price supports.

At the proper time, when the parliamentary situation will make it possible to do so, I think the Senator from Delaware may accept the amendment I have offered as an amendment to his amendment. I think it is the general feeling that the figure should be placed at around \$50,000.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from New Mexico.

Mr. ANDERSON. Mr. President, there are personal reasons why I dislike to oppose the amendment. I vote with the Senator from Delaware a great deal, and I appreciate the attitude he has taken in the Committee on Agriculture and Forestry on questions coming before that committee, and on many other matters. I should like to be able to favor his amendment, but I cannot do it.

I think in this instance while the intention is good, the amendment would work very badly. I believe it would tend to bring down the very prices which it is intended should be held up.

Under the amendment, what will the farmer who has more than \$25,000 or \$50,000 worth of commodities do? He will proceed to market his products, outside the level of price supports, and that will result in the prices never getting above the price support levels.

Farmers have to have peaks as well as valleys. We discovered during the war that farm prices were held down by the Office of Price Administration, but once farmers came out from under the controls they received peak prices, which were above 90 or 100 percent. The farmer has to have such an opportunity. But if we say to the man who has large resources that he cannot hope to have price supports, he will proceed to move his products just under the prices at which another farmer may move his. Therefore the support level will become the highest price at all times. I think that would be bad for all farmers, large and small.

In my opinion, the amendment would further tend to divide farms artificially. The amendment provides that a farmer cannot get more than \$25,000. If the farmer lives in a community property State, he will decide at once to have his wife own half of the farm, he will transfer half ownership to her in one way or another, so that the two of them will be able to divide the income. Furthermore, he may decide that his son might like to take his inheritance earlier than he ordinarily would get it, so he will proceed to divide the farm with his son.

Corporation farms will find it is easy to have their farms in \$25,000 sizes. We have seen that happen in the subdivision

business, where companies have 20 corporations handling their matters, because they have found circumstances to be favorable if they keep the income at \$25,000. The same thing can be done with farms.

Not too long ago I visited a farm in the State represented by the able minority leader. That farm had been a long time in the process of being brought into productive cultivation. It was a very fine farm, containing more than 40,000 acres of irrigated land. When it was sold, it brought \$7½ million. It was a cash transaction. Does anybody believe that the corporation which bought it for \$7½ million cannot get all the money it wants without coming to the Commodity Credit Corporation?

But if we say, "You cannot have any price support; all you can do is stay within your acres, and then you cannot have any price support," the company could very easily apply the extra amount of fertilizer which results in the production of very large crops, and could drop those crops into the market at a price just below what the support price would be, and that price would tend to fix the price for the remainder.

After all, when we are considering this amendment, we must realize that some farmers have very large operations and are able to obtain large amounts of credit. One farmer got in 1 year a cotton loan of \$3 million. It lasted only a few months. He moved all the cotton into the market, and disposed of every bit of it. He did not need to have all of it handled in that way. But there was a bank that was happy to make him a loan of \$3 million; in fact, it gave him an open line of credit amounting to \$5 million. Are we to think that by writing into the law a limitation of \$25,000 or \$50,000, we would make it impossible for that man to market his cotton?

If we go to Mississippi, and consider the Delta & Pine Land Co., we realize that that company will not be blocked from obtaining capital, by a \$25,000 limitation. It will not be blocked by it at all. The only result of such a limitation would be that that company would put all its product into the market at just below the loan price.

I say that if the little farmers were squeezed out, as the Senator from South Dakota [Mr. CASE] has pointed out, that happened before there were allotments. I concede that there is something to the argument the Senator from South Dakota has made; but that condition occurred when there were no allotments; and during that period, the big farmers "went to town."

If we wish to deal with that problem, we must proceed in an entirely different way, and not in the way proposed by this amendment.

I agree with the Senator from Delaware, insofar as the purpose of the amendment is concerned. He is correct in trying to make sure that these programs are not improperly used.

However, we are not dealing with a subsidy paid to a farmer. The purpose of this fund is to provide orderly marketing. The farmer gets a loan. I think it is wrong for us to consider that the farmer gets a subsidy. When the farmer

puts his product on the market, we should have an agricultural program which will make his commodity sell at a sufficiently high price.

Therefore, Mr. President, I think it would be a mistake for the Senate to adopt this amendment. I find myself in complete sympathy with the position taken by the Senator from Delaware [Mr. WILLIAMS]; and I find myself in complete sympathy with the Senator from South Dakota [Mr. CASE], in connection with the problem he has outlined. But I say this amendment will not cure that situation.

Mr. President, the amendment was carefully considered by the Committee on Agriculture and Forestry, and was voted down by the committee. I hope the Senate as a whole will reject the amendment.

Mr. ELLENDER. Mr. President, I understand from the distinguished Senator from Delaware that no other Senator on his side desires to be heard. Unless some Senator on this side wishes to speak against the amendment, I am ready to yield back the remainder of my time.

Mr. WILLIAMS. Mr. President, I am ready to yield back the remainder of my time, because I understand that the Senator from Minnesota [Mr. HUMPHREY] has an amendment which he wishes to offer at this time.

In reply to the Senator from New Mexico, I say there is not a Member of the Senate for whom I have greater respect; and his knowledge of the agricultural problem is such that none of us ever expects to equal. But I happen to think that perhaps the amendment would work. I point out that there have been precedents for such action. It is true that a farmer could divide his farm into multiple units or many corporate units, and that was pointed out in the committee. In the case of the Small Business Administration, we imposed a limitation on the amount in the case of any one loan. At that time we recognized that theoretically it would be possible for a corporation to divide itself into multiple units or into several parts. If that happens, either by administrative action or by a correction of the law we can take care of that problem. Our limitations worked in that instance.

I think we are agreed that we wish to have the benefits of this program go to the family-type farm. I think the amendment will accomplish that objective.

There is no justification for asking the American taxpayers to extend this help to the \$7,500,000 to \$10 million corporate-types of farming operations.

Mr. President, I yield back the remainder of the time under my control.

Mr. ELLENDER. Mr. President, I yield back the remainder of the time under my control.

Mr. WATKINS rose.

The PRESIDING OFFICER. Does the Senator from Utah desire to have time yielded to him?

Mr. WATKINS. Mr. President, I desire to submit an amendment.

Mr. WILLIAMS. Mr. President, I told the Senator from Utah that I would later modify my amendment so as to have it provide a \$50,000 limitation. However,

I understand that the Senator from Minnesota [Mr. HUMPHREY] wishes to offer an amendment first. Or, Mr. President, if it is preferred that I do so, I shall modify my amendment now, so as to have it provide a limitation of \$50,000.

Mr. WATKINS. Mr. President, at this time I desire to submit an amendment to the amendment of the Senator from Delaware, so as to strike out the \$25,000 limitation set forth in the amendment of the Senator from Delaware, and provide for a \$50,000 limitation.

Mr. ELLENDER. Do I correctly understand that the Senator from Delaware has modified his amendment to that extent?

Mr. WILLIAMS. The Senator from Minnesota has said he desires to speak before I modify my amendment. That is why I have not yet modified it. If the Senator from Minnesota has no objection, I shall modify my amendment now, or we can modify it later.

Mr. HUMPHREY. Mr. President, since my amendment includes that provision, as well as others, I should like to submit my amendment at this time; and then we can return to the other amendment.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment of the Senator from Delaware has been yielded back.

Mr. HUMPHREY. Mr. President, I offer the amendment which I send to the desk and ask to have stated. My amendment is offered to the amendment of the Senator from Delaware.

The PRESIDING OFFICER. Let the Chair inquire whether the amendment of the Senator from Minnesota is offered as an amendment to the amendment of the Senator from Delaware, or as a substitute for it.

Mr. HUMPHREY. Either as an amendment to it or as a substitute for all of it—whichever is in accordance with the rule.

The PRESIDING OFFICER. As the Senator from Minnesota knows, a substitute would take the place of the other amendment.

Mr. HUMPHREY. I offer it as an amendment in the nature of a substitute, if that is the correct way to offer it.

The PRESIDING OFFICER. Does the Senator from Minnesota desire to add his amendment at the end of the amendment of the Senator from Delaware?

Mr. HUMPHREY. All I desire to do is to offer the amendment and have a vote taken on it. The clerks at the desk undoubtedly can determine exactly where the amendment should be written in.

The PRESIDING OFFICER. The Chair wishes to cooperate in connection with this matter. Will the Senator from Minnesota state the section to which the amendment is offered?

Mr. HUMPHREY. It is offered to the amendment of the Senator from Delaware.

The PRESIDING OFFICER. Then will it come at the end of the amendment of the Senator from Delaware?

Without objection, the amendment will be considered as being offered to be inserted at the end of the amendment of the Senator from Delaware.

The Chair recognizes the Senator from Minnesota. If he later desires to have the amendment rewritten or to have it apply to another section, he will later be recognized for that purpose. Meanwhile, the Senator from Minnesota is recognized for 1 hour.

Mr. HUMPHREY. Mr. President, because of the peculiar parliamentary situation, in that the Senator from Delaware [Mr. WILLIAMS] has, in order to modify his original amendment, offered as a substitute an amendment which was pending up to the time of the offering of my amendment, it is my understanding that I cannot offer my amendment as a substitute. If I can, however, I offer it as a substitute. It was my previous understanding that since the word "substitute" had been used in the amendment of the Senator from Delaware, it was not possible for my amendment to be offered as a substitute.

Mr. MUNDT. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. MUNDT. Should not the amendment be read?

Mr. HUMPHREY. Yes, Mr. President; I wish to have my amendment read.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota to the amendment of the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. In lieu of Mr. WILLIAMS' amendment, on page 4, between lines 22 and 23, it is proposed to insert the following:

LIMIT ON PRICE SUPPORT

SEC. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. (a) Notwithstanding section 101 of this act, price supports made available under this act to any person for any year for basic agricultural commodities shall be made at 90 percent of parity, if the loans to such person, or the purchases made by the Commodity Credit Corporation from such person, do not exceed \$5,000.

"(b) The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by the Commodity Credit Corporation from such person, shall not exceed \$50,000.

"(c) The term 'person' shall mean any individual, partnership, firm, joint stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchase of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

On page 4, in line 24, strike out "107" and insert "108."

Mr. HUMPHREY. Mr. President, my amendment has two objectives. First, it has the objective of providing 90 per-

cent of parity price support loans on basic agricultural commodities, up to a maximum loan or purchase amount of \$5,000 per farm. This is designed to give economic assistance and support to the small family sized farm.

The second purpose of the amendment is to limit the total amount of price support loans or purchases to any one person, as defined in the amendment, the term "person" meaning any individual, partnership, firm, joint stock company, corporation, association, State, or agency of a State.

I would have my colleagues note that the 90 percent section of the bill is limited to the smaller farm production units. The \$50,000 limitation is designed to get away from having a Government price support program encourage large corporation farm developments.

I think there has been far too little consideration in this body as to what is happening to one of the basic social and economic institutions of the country. The truth is that the family farm unit is being slowly but surely driven out of existence. There is more and more consolidation of large land holdings. There is more and more absentee land ownership. More and more rural communities are being literally dried up because of the economic pressures upon the family farm unit.

I recognize that on the basis of so-called production efficiency and sheer dollars and cents, it can be said that many of the so-called family units cannot meet the high standards of efficiency and double-entry bookkeeping standard of big business. I think the time has arrived to make a great decision, a decision as to whether we are interested only in production efficiency, or whether we are interested in a certain basic pattern of social organization.

If we want nothing more nor less than production efficiency, the thing to do is to group the large farms into huge corporate structures. Turn loose the big equipment, put the land under a general manager, with supervisors and straw bosses, and Russianize American agriculture.

Lest anyone have any doubts on the question, I am against State collectivism, and I am equally against private collectivism. I do not see much difference, except that possibly one might be a little worse than the other, in that, in private collectivism, one individual is exploiting his fellow men, and in State collectivism, the State exploits its citizens.

I am opposed to the socialization of American agriculture. I charge that this administration's policies tend to accelerate such a policy. I am opposed to the collectivization of American agriculture; and I charge that this administration's price support policies and other policies are leading in that direction. The fact that collectivization comes under some huge corporation does not make it much different than if it came under some large State agency. In fact, in American, we might have a vote in the State agency, but in a large corporation we would have no vote.

A number of reports have come to Members of Congress lately from some of our fine organizations. For example, the National Catholic Rural Life Conference has sent a communication to me. They are deeply concerned over what is happening in American agriculture. They are deeply concerned that the provisions in the bill before us, now that the 90 percent provisions are out, would encourage further large land holdings, and further dilution of the American family farm.

Mr. President, the purpose of the first section of my amendment is to give to the family farm operator the opportunity to get 90 percent of parity price support loans on his production, up to \$5,000.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I wonder if the Senator would like to have the yeas and nays requested now on his amendment, in order that Senators may be on notice.

Mr. HUMPHREY. I shall be very happy to have that done.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the Humphrey substitute.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, it was brought to my attention the other day that in the 79th Congress the Special Committee To Study Problems of American Small Business issued an extraordinarily fine report concerning the family farm unit. In particular, it made a study in the Central Valley of California on effects of scale of farm operations. The report is dated December 23, 1946, and is known as Senate Document No. 13. In the introduction to the report, I find some very moving language:

The family farm is the classic example of the American small-business enterprise. For generations this institution and the community it supports have held the esteem of all who have known and understood the American heritage. Statesmen, historians, economists, and sociologists have generally agreed that the spread of the family farm over the land has laid the economic base for the liberties and the democratic institutions which this Nation counts as its greatest asset.

The great declaration by Daniel Webster still stands as perhaps the clearest and most authentic expression of America's deep-rooted belief in the intimate and causal relations between the family farm and the distinctively popular character of our Government.

"Our New England ancestors," he said, "brought thither no great capitals from Europe; and if they had, there was nothing productive in which they could have been invested. They left behind them the whole feudal policy of the other continent. . . . They came to a new country. There were as yet no lands yielding rent, and no tenants rendering service. The whole soil was unreclaimed from barbarism. They were themselves either from their original condition, or from the necessity of their common interest, nearly on a level in respect to property. Their situation demanded a parcelling out and division of the land, and it may fairly be said that this necessary act fixed the future frame and form of their government. The character of their political institutions was determined by the fundamental laws respecting property. . . . The conse-

quence of all these causes has been a great subdivision of the soil and a great equality of condition; the true basis, most certainly, of popular government."

The study goes on to show:

The advances in technology during the past century have greatly benefited the farmers who, with their families, work the land. The industrial revolution has eased the burden of the farmer and rendered his labors more productive. Yet these technological advances have, at the same time, brought a threat to the very institutions to whose personnel they have brought so much aid. The threat is this: That with increased mechanization will come increased industrialization of the farm enterprise; that with industrialization will come an increasing concentration of economic power in the hands of fewer and fewer men at the head of great organizations, and an end to that broad diffusion of social and economic benefit that has long been characteristic of American rural communities.

There is foundation for the belief that industrialization is on the increase. The United States census of agriculture has been recording the gradual increase in average farm size in America.

Mr. President, I ask unanimous consent that the portion of the report from which I have read be placed in the RECORD at this point. I refer to pages 3 and 4 of the report, and the summary of findings on pages 5 and 6.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

INTRODUCTION

The family farm is the classic example of the American small-business enterprise. For generations this institution and the community it supports have held the esteem of all who have known and understood the American heritage. Statesmen, historians, economists, and sociologists have generally agreed that the spread of the family farm over the land has laid the economic base for the liberties and the democratic institutions which this Nation counts as its greatest asset.

The great declaration by Daniel Webster still stands as perhaps the clearest and most authentic expression of America's deep-rooted belief in the intimate and casual relation between the family farm and the distinctively popular character of our Government.

"Our New England ancestors," he said, "brought thither no great capitals from Europe; and if they had, there was nothing productive in which they could have been invested. They left behind them the whole feudal policy of the other continent. * * * They came to a new country. There were as yet no lands yielding rent, and no tenants rendering service. The whole soil was unreclaimed from barbarism. They were themselves either from their original condition, or from the necessity of their common interest, nearly on a level in respect to property. Their situation demanded a parceling out and division of the land, and it may fairly be said that this necessary act fixed the future frame and form of their government. The character of their political institutions was determined by the fundamental laws respecting property. * * * The consequence of all these causes has been a great subdivision of the soil and a great equality of condition; the true basis, most certainly, of popular government."

The advances in technology during the past century have greatly benefited farmers who, with their families, work the land. The industrial revolution has eased the burden of the farmer and rendered his labors more productive. Yet these technological

advances have at the same time, brought a threat to the very institution to whose personnel they have brought so much aid. The threat is this: That with increased mechanization will come increased industrialization of the farm enterprise; that with industrialization will come an increasing concentration of economic power in the hands of fewer and fewer men at the head of great organizations, and an end to that broad diffusion of social and economic benefits that has long been characteristic of American rural communities.

There is foundation for the belief that industrialization is on the increase. The United States Census of Agriculture has been recording the gradual increase in average farm size in America. This is not a result of the disappearance of undersized farms; family farmers on the better lands appear to be particularly vulnerable. Census statistics are supported by other information. In those areas particularly suitable to high-value specialty crops, the concentration of land and production into large units has been reported by various agencies and students of American agriculture. A committee of the United States Senate has pointed out that within the decade of the thirties the percentage of all farms in California which produce just over one-half the total agricultural production of that State fell from 10 to 6.8 percent, marking a growth in concentration of nearly one-third. It is not without significance as evidence of this trend that at least one group of specialty crop producers has so far changed its character away from that of family farmers and in the direction of becoming industrialists that it has found itself indicted for violation of the antitrust laws of the Nation.

The development of large-scale farming has been foremost in California. The influence of Spanish land policy, the monopolization of large areas by early comers after American statehood, the soil and climate favorable to the production of specialty crops, and congeries of other historic and economic circumstances have made California particularly amendable to industrialized agricultural production. But development of this pattern of agriculture, often operated like industry from urban centers and worked by wage labor, is not peculiar to any one part of the Nation. It has been reported in some degree from all sections.

Whether industrialization of farming is a threat not only to the family farm, but also to the rural society founded upon the family farm, is the specific subject of the present report. The purpose of this study is to test by contemporary field research the historic hypothesis that the institution of small independent farmers is indeed the agent which creates the homogeneous community, both socially and economically democratic.

The present inquiry consists of a detailed analysis and comparison of two communities, one where agricultural operations are on a modest scale, the other where large factory-like techniques are practiced. Both communities lie in the fertile southern San Joaquin Valley in the great Central Valley of California, where highly developed and richly productive agriculture is characteristic. Limitations of time and resources dictated that no more than two communities be studied. Numerous other pairs might have been chosen which doubtless would have yielded comparable results.

The two communities studied here naturally vary in some degree with respect to proportions of surrounding lands devoted to this or that crop, with respect to age, to depth of water lift for irrigation, etc., as well as with respect to the scale of the farm enterprises which surround them. Controls as perfect as are possible in the chemist's laboratory are not found in social organizations. Yet the approximation to complete control achieved by selection of the communities of Arvin and Dinuba is surprisingly high.

Other factors, besides the difference in scale of farming, which might have produced or contributed to the striking contrasts of Arvin and Dinuba have been carefully examined. On this basis the conclusion has been reached that the primary, and by all odds the factor of greatest weight in producing the essential differences in these two communities, was the characteristic difference in the scale of farming—large or small—upon which each was founded. There is every reason to believe that the results obtained by this study are generally applicable wherever like economic conditions prevail.

SUMMARY OF FINDINGS

Certain conclusions are particularly significant to the small-business man, and to an understanding of the importance of his place in a community. Not only does the small farm itself constitute small business, but it supports flourishing small commercial business.

Analysis of the business conditions in the communities of Arvin and Dinuba shows that—

(1) The small-farm community supported 62 separate business establishments, to but 35 in the large-farm community; a ratio in favor of the small-farm community of nearly 2 to 1.

(2) The volume of retail trade in the small-farm community during the 12-month period analyzed was \$4,383,000 as against only \$2,535,000 in the large-farm community. Retail trade in the small-farm community was greater by 61 percent. (See fig. and table, pp. 83-84.)

(3) The expenditure for household supplies and building equipment was over three times as great in the small-farm community as it was in the large-farm community.

The investigation disclosed other vast differences in the economic and social life of the two communities, and affords strong support for the belief that small farms provide the basis for a richer community life and a greater sum of those values for which America stands, than do industrialized farms of the usual type.

It was found that—

(4) The small farm supports in the local community a larger number of people per dollar volume of agricultural production than an area devoted to larger scale enterprises, a difference in its favor of about 20 percent.

(5) Notwithstanding their greater numbers, people in the small-farm community have a better average standard of living than those living in the community of large-scale farms.

(6) Over one-half the breadwinners in the small-farm community are independently employed businessmen, persons in white-collar employment, or farmers; in the large-farm community the proportion is less than one-fifth.

(7) Less than one-third of the breadwinners in the small-farm community are agricultural wage laborers—characteristically landless, and with low and insecure income—while the proportion of persons in this position reaches the astonishing figure of nearly two-thirds of all persons gainfully employed in the large-farm community.

(8) Physical facilities for community living—paved streets, sidewalks, garbage disposal, sewage disposal, and other public services—are far greater in the small-farm community; indeed, in the industrial-farm community some of these facilities are entirely wanting.

(9) Schools are more plentiful and offer broader services in the small-farm community, which is provided with 4 elementary schools and 1 high school; the large-farm community has but a single elementary school.

(10) The small-farm community is provided with three parks for recreation; the

large-farm community has a single playground, loaned by a corporation.

(11) The small-farm town has more than twice the number of organizations for civic improvement and social recreation than its large-farm counterpart.

(12) Provision for public recreation centers, Boy Scout troops, and similar facilities for enriching the lives of the inhabitants is proportioned in the two communities in the same general way, favoring the small-farm community.

(13) The small-farm community supports two newspapers, each with many times the news space carried in the single paper of the industrialized-farm community.

(14) Churches bear the ratio of 2 to 1 between the communities, with the greater number of churches and churchgoers in the small-farm community.

(15) Facilities for making decisions on community welfare through local popular elections are available to people in the small-farm community; in the large-farm community such decisions are in the hands of officials of the country.

These differences are sufficiently great in number and degree to affirm the thesis that small farms bear a very important relation to the character of American rural society. It must be realized that the two communities of Arvin and Dmuba were carefully selected to reflect the different in size of enterprise, and not extraneous factors. The agricultural production in the two communities was virtually the same in volume—\$2½ million per annum in each—so that the resource base was strictly comparable. Both communities produced specialized crops of high value and high cost of production, utilizing irrigation and large bodies of special harvest labor. The two communities are in the same climate zone, about equidistant from small cities and major urban centers, similarly served by highways and railroads, and without any significant advantages from nonagricultural resources or from manufacturing or processing. The reported differences in the communities may properly be assigned confidently and overwhelmingly to the scale-of-farming factor.

The reasons seem clear. The small-farm community is a population of middle-class persons with a high degree of stability in income and tenure, and a strong economic and social interest in their community. Differences in wealth among them are not great, and the people generally associate together in those organizations which serve the community. Where farms are large, on the other hand, the population consists of relatively few persons with economic stability, and of large numbers whose only tie to the community is their uncertain and relatively low-income job. Differences in wealth are great among members of this community, and social contacts between them are rare. Indeed, even the operators of large-scale farms frequently are absentees; and if they do live in Arvin, they as often seek their recreation in the nearby city. Their interest in the social life of the community is hardly greater than that of the laborer whose tenure is transitory. Even the businessmen of the large-farm community frequently express their own feelings of impermanence; and their financial investment in the community, kept usually at a minimum, reflects the same view. Attitudes such as these are not conducive to stability and the rich kind of rural community life which is properly associated with the traditional family farm.

Mr. HUMPHREY. Mr. President, the report submits the result of a special inquiry made into two communities in the fertile southern San Joaquin Valley of the great Central Valley of California. The two communities studied vary in degree with respect to proportions of sur-

rounding lands, but the most important part of the study relates to the kind of civil activities which took place with respect to the corporate farm, on the one hand, and the number of small farmers, on the other. I believe it is very highly significant that the analysis showed the following:

The smaller farm community supported 62 separate business establishments, to but 35 in the large-farm community; a ratio in favor of the small-farm community of nearly 2 to 1.

The volume of retail trade in the small-farm community during the 12 months' period analyzed was \$4,383,000 as against only \$2,535,000 in the large-farm community. Retail trade in the small-farm community was greater by 61 percent.

The expenditure for household supplies and building equipment was over three times as great in the small-farm community as it was in the large-farm community.

The investigation disclosed other vast differences in the economic and social life of the two communities, and affords strong support for the belief that small farms provide the basis for a richer community life and a greater sum of those values for which America stands, than do industrialized farms of the usual type.

There was a much higher standard of living in the farm homes of the small-farm community, as compared with those of the hired workers of the corporate farm.

Physical facilities for community living—paved streets, sidewalks, garbage disposal, sewage disposal, and other public services—are far greater in the small-farm community; indeed, in the industrial-farm community some of these facilities are entirely wanting.

Schools are more plentiful and offer broader services in the small-farm community, which is provided with 4 elementary schools and 1 high school; the large-farm community has but a single elementary school.

I could go on and on. I commend the report to the reading of every Member of the Senate. This is a case study of a corporate land operation and of some 60-family farms. Both of them are in the same valley of the same State. Both use the same forms of transportation. Both supposedly operate under similar conditions. The truth is that the family-farm unit was better for the businessman in town. The family-size farm community, with 62 farms, provided for a high school and four elementary schools and other good community facilities. The corporate-size farm community provided for one elementary school, and the people in it lived under very poor economic and social conditions.

This report has been cited from time to time by leading clergymen and by those who work in the field of social welfare. It goes to the base of the problem we are facing today. I believe every Senator must ask himself whether he will apply to agriculture the principles of big business or the principles of social equality, social welfare, and economic opportunity.

One of the troubles with the Department of Agriculture today is that it has been General Motorized. The Department looks upon everything in terms of the big approach. The Under Secretary of Agriculture has from time to time said, as have his associates, that agriculture is big business.

Mr. President, the total of all American agriculture may be big business, but agriculture in America is one of the last stands of small business. We must make up our minds whether we want to have happen to agriculture what has happened to manufacturing, or whether we wish to preserve in our society a social unit for the family on the farm, in order to preserve and maintain smaller rural communities.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KENNEDY. Will the Senator compare his amendment with the amendment offered by the Senator from Delaware [Mr. WILLIAMS]?

Mr. HUMPHREY. The Senator from Massachusetts asks me to make a comparison between my amendment and the amendment offered by the Senator from Delaware. My amendment in its second part is the same as the amendment offered by the Senator from Delaware, for, I believe we ought to put a limitation on how much the Government should offer in terms of loans for commodities under the loan program. However, my amendment permits a loan of up to \$50,000, because I believe \$50,000 is a more reasonable figure in light of the high cost of farm operations today. In other words, the Government would not be obligated to any producer for more than a loan of \$50,000 on the commodities which might be offered. That is a principle, as the Senator from Delaware has pointed out, which is used time and time again in legislation.

We do not offer unlimited guaranties on housing, but have a cutoff point. We do not offer unlimited loan guaranties under the Small Business Administration. I believe the maximum is \$150,000 at the present time. We are applying the same principle here. Some of the sharpest criticism of the price support program has been directed toward the large corporate farm units which have received as much as \$300,000 in loans from the Government, and even as much as a million dollars in loans. To be sure, as the Senator from New Mexico [Mr. ANDERSON] said, they give as their collateral their crop, and that is proper. In fact, we could justify a loan of any amount so long as the collateral put up in the form of the commodity or the crop was adequate. However, we are working with a program which is not only a loan program, but also a program which is designed to do something for the economic and social pattern of the United States.

Some of the large farms do not need any price supports. All they do is to hire Mexican labor and pay 50 cents an hour, or Jamaican labor, and pay it 50 cents an hour, and take their profit right out of the backs of such labor. If they did that they would not need more than 60 per-

cent of parity. If that is the kind of country anyone wishes to live it, we ought to let the people know about it.

I want to live in a country in which people on the farms look upon farming not only as an occupation and an economic pursuit, but as a way of life. If we want that kind of America we must design a legislative policy which will protect it. I might say that there would not be any small business today except for the Robinson-Patman Act, a Clayton Act, and a Sherman Antitrust Act. We have already by law designed the kind of economy we would like to have in America, so far as business is concerned. The weakness has been in enforcement and that possibly we have not kept up to date with new developments in the corporate structure.

I see on the floor of the Senate the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Alabama [Mr. SPARKMAN]. Those two Senators have worked diligently in the field of small business and in combating the menace of huge conglomerations of economic power throughout the corporate structure. I submit to these two able Senators that the same thing is happening in agriculture—huge plants, huge farms running to thousands of acres, hired workers—instead of small farms and little communities, where people live in dignity and self-respect, and where workers are not hired by the hundreds and used as common labor, and then sent away.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I wonder if the able Senator from Minnesota happened to see an article in yesterday's Washington Post by the Alsop brothers.

Mr. HUMPHREY. I did.

Mr. SPARKMAN. In it they discussed the plight of the small farmers of this country and related it to a similar situation preceding the fall of the Roman Empire.

Mr. HUMPHREY. I read it with great care. In fact, I was discussing it this morning in my office with my administrative assistant. He is here, and I believe he has the article in his folder.

I read the report to which I alluded a moment ago, and there is no doubt that every country in the world that is in trouble today got into trouble by permitting its agriculture to deteriorate.

Mr. SPARKMAN. The last time we were in trouble in this country, from an economic standpoint, it had grown from the same beginning.

Mr. HUMPHREY. It had, indeed.

Mr. SPARKMAN. I am very much in sympathy with what the Senator is driving at, but here is a question which has been of some concern to me, and I should like to have it explained. This is not just a loan program; it is tied in with the control of acreage, is it not?

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. How would the Senator take care of acreage control of big farms raising crops which would exceed \$50,000 limitation?

Mr. HUMPHREY. May I say that a \$50,000 loan is no small potatoes? It is

quite a concession on the part of the Government.

Mr. SPARKMAN. The Senator knows that in this country, much as he believes and much as I believe in small farms, we have some big producers in every type of agriculture.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. And a great deal of our production actually comes from those big producers. So long as it is tied in with production control, how are we going to control the big farmers, those whose production would exceed the limit of \$50,000? If we turn them loose and let them sell in the free market, we shall be breaking down or threatening the price-support system itself.

Mr. HUMPHREY. The acreage control also relates to the conservation reserve and the acreage reserve, all of which provide benefits to the farmers. The acreage control applies to the right or the ability of a farmer to utilize the Commodity Credit Corporation for loan purposes. But I must say there are only a very few producers in this country who would go above the \$50,000 figure. I have the figures worked out, and if the Senator will tarry with me a moment I think I can give him a little help.

The Department made a survey on the basis of the \$25,000 figure, that is, a \$25,000 limitation, and stated that the census data reveals that only 3.7 percent of the farms in our country have gross sales above the \$25,000 figure. The larger farming operations produce about 25 percent of the production, and 85 percent of the total commodity supply falls under the \$25,000 price for price-support loans. If we have a price-support limitation of \$25,000, approximately 85 percent of the supply will be eligible. If we raise it to \$50,000 it will go up substantially higher. Of the 296,000 corn loans only 104, less than three-tenths of 1 percent, were larger than \$25,000. If we put the figure at \$50,000, the percentage will be less than as many fingers as there are on 2 hands.

Of the 35,000 barley loans only 6 were above the \$25,000 figure.

It is true that putting a limitation of \$50,000 as a maximum amount of loan which can be received from the Government, will cause some persons to be left outside the program, but there are some who are outside of it, anyway. Some of the large producers do not need or use commodity credit loans. So the argument which has been made that by a limitation we would permit some persons to go scot free as to acreage reduction and production controls is true, whether we have a \$50,000 limitation or not. We would not have 100 percent compliance under the farm program. The program last year had slightly more than 50 percent compliance, and it has been getting worse every year, since 1952. One of the reasons why it is getting worse is that it is so poorly administered and because the farm people no longer trust the Department of Agriculture. So, if we provide a \$50,000 limitation we are going to place under that ceiling more than 95 percent of all the farm operations in the United States. The over-

whelming bulk of them will be under that ceiling. Then we will not see in the editorial columns a continuous statement about some farmer getting \$350,000, and the production all going into Government warehouses.

I am tired of that kind of publicity, and I am tired of the way the press and the periodicals have reacted to the program. If they were half as much concerned over what is happening to agriculture as they are concerning a national park or a gas well, we would not have this trouble.

I fought hard for our national parks and I voted against the gas bill. It is a crying shame that the press has not taken sufficient interest in what is happening to the American farmer. Apparently, he has not been pushed down low enough for some persons to become righteously indignant about it.

Mr. O'MAHONEY. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. O'MAHONEY. I was very much impressed by what the Senator quoted from a speech of Daniel Webster in which he described our country as one in which the basis of liberty and progress was the absence of great landed estates and opportunity afforded the small and penniless settler to take up land from the great expanse of the public domain and build a family-size farm upon it.

As I listened to those words, repeated by the Senator, it occurred to me that what is happening in this country is due to the growth of large farms, the absorption of small farms, and the mechanization of the large farms. We are reversing the condition which Daniel Webster described. We are now creating a class of gentleman farmers who occupy large farms, and we are driving the small farmer into the class of the peasant who lived in the countries from which our original settlers came. The great virtue of America was that here we established opportunities for every man; but because of the concentration of economic power through industrial organization, upon the one hand, and now through the present type of operation of agriculture upon the other hand, we are making what was once a classless society a class society. When that is done the America which the Founding Fathers saw and envisioned for the future will have vanished.

Mr. HUMPHREY. The Senator is absolutely correct. As we vote on this farm bill we shall be not only voting on dollars and cents, but on social patterns, social structures. We have been witnessing the erosion in the United States of a great social structure namely, the small family farm unit, with the family on the land taking care of it, rearing children, attending their church, attending their town meetings, and participating in township and local government.

I know there are a lot of experts around; they are all over the place these days. They know all about management. They know how to manage everybody's affairs but their own. They are the ones who say, "What we need to-

day is to apply business efficiency principles to farming."

Mr. President, that is what has been tried in Russia. That does not belong in the United States. The Russian collectivized farm system will never work as the Russians intend it should. Their plan may produce. Oh, yes, it may produce goods, but it will not produce good people, happy people, or a happy society. The Russian system is organized wrong.

The present policies of this administration are leading to a breakdown in American agriculture. It is necessary to put a halt to them, just as we shall have to put a halt to the growth of any great monopoly or any great combine of economic forces. The time to call a halt is before it gets too big. The time to stop it is before it gets out of hand.

I noticed a headline the other day. It is one headline I intend to use a great deal. It says, "Ike Wins Senate Farm Fight." Whenever anybody wins, it is Ike who wins. Whenever anyone loses, it is Benson who loses.

But the headline reads "Ike Wins." Whom do you think Ike won over, Mr. President? He did not win over me. Ike won the fight over the farmers. If that is the kind of fight the President wants to win, let him win it. I am here to fight for the farm families.

I submit that the flexible price support program as now administered for the small family farmer spells his doom. Not only that, but the Department of Agriculture has admitted it will. The Secretary of Agriculture, his assistants, and his Under Secretary have said that farming today is big business. If a man cannot make good on the farm, let him go into the town; let him go to the city.

The administration talks about the so-called marginal farmer as if he were a subversive influence in American society. I ask my friends from the South a question: What will my friends south of the Mason-Dixon line do if more of the small tenants are driven off the land? What will they do when those tenant farmers move to Atlanta, to Birmingham, and to the other great cities of the South? Where will they be housed? Where will they find jobs? What about the social problems which will result?

In the rural communities today there is a sense of stability. What will be done about the farmer and his 6 or 10 acres? How will his family be affected by such a program as the one which we are about to adopt?

The Senators from Southern States do not expect this administration to protect the tenant farmer, do they? This administration wants so-called efficiency; and efficiency to them is synonymous with bigness; with wealth, with big men, with white shirts, with big clubs, with big cigars.

That is not the way to build the kind of America we would like to have. The Republican administrators always intrigue me. They worship the IBM machine. To them, it is more important than the Statue of Liberty. They are fascinated by the UNIVAC. In fact, it was the UNIVAC that gave them the first prediction of their success in 1952, and they have never forgotten it. This great elec-

tronic instrument does things for them and does things to them.

The Government of the United States is supposed to be dedicated to the people and to the general welfare of the American people. Mr. President, you can read the Constitution from beginning to end, and the word "efficiency" is not in it. As I have said on the floor of the Senate, one can read the Old Testament and the New Testament in any translation he wishes to read; he can read the Declaration of Independence, the Magna Charta, the Emancipation Proclamation, the Atlantic Charter, the Constitution of the United States, and the Charter of the United Nations; but he will not find in them the word "efficiency." He will find, as I have said a number of times before, the words "justice," "equality," "liberty," "compassion," "equity," "love," and "kindness." By "efficiency"? That has been brought in since January 1953. It has since become a national byword; it is a GOP household word. We are told to be efficient—it is the Republican success formula.

But the price of so-called efficiency, Mr. President, is sometimes the destruction of the people. Hitler was efficient—very efficient. Mussolini even got the trains to run on time. Stalin claimed a certain amount of efficiency. Khrushchev says he can be even more efficient. Even the Russians are beginning to buy this line. That is one part of our propaganda which has worked.

Mr. President, if we wish to preserve the family farm unit in this country, if we want a society that is not all metropolitan, if we want to have tilling the soil people who love the land they live on, it will be necessary to provide an economic program under which they can live; because the sheer law of economic attrition will drive them off the land, and everyone knows it.

There is no doubt that if the program as presently outlined is adopted, the only farm people who will be able to live on the land will be those with large inheritances. The program will result in bigger and bigger farm units. Some persons say, "It is inevitable. Why not let them have it?"

Mr. President, it need not be inevitable if we have the will not to let it be so. I am arguing for the right of the individual farm family to be able to make a living. Ninety percent of parity-price supports is not high. I say that up to \$5,000 the farmers are entitled to 90 percent of parity on their commodities. It may cost them a little more to produce each unit of their commodity, but they are entitled to a 90-percent loan. Above \$5,000, they will have to go on the Bensonized formula. They will be the victims of slide and flex.

The big operators say the flexible price-support program is good. Let them try it. If they want it, let them have it. Some of them say they do not even want any Government supports. Those are the ones who do not need it. Above \$5,000, they will not receive 90-percent price support. Let them have a chance to operate under the standards they want.

The Humphrey amendment provides one new thing which the Senator from Delaware did not offer. It provides, in its first subsection, that up to \$5,000 they will be 90-percent price supports. That will take care of the vast majority of the small producers of American agriculture. They will be able to obtain loans. They will be getting loans on the crop they have produced.

I heard an argument a while ago—I could not help chuckling as I heard it—that the Government will have to buy everything from the farmers who get 90-percent price supports.

Mr. President, if that is a valid argument, then we are admitting on the floor of the Senate that the farmer is doomed to less than 90 percent of parity in the market place. If it is being said that the Government will have to buy everything which the small farmer produces under a 90-percent price-support schedule, we are frankly saying that every farmer, from here on out, will always receive in the cash market less than 90 percent of parity, although this administration said it was for 100 percent of parity in the market place.

I am for 100 percent of parity in the market place. Nor do I think that 90-percent crop loans will mean that the Government will have to buy everything. If the administration does not believe the farmer is going to get 100 percent of parity in the market place, why does it not say so? Why does it not give the public the truth? Why does it not tell the public that the farmer is not going to get anything more than 75 percent? Why does it not tell the public that the farmer is doomed?

Are we telling the farmer today by official policy of the Government, "You are supposed to be poor; you are supposed to have mortgages. You are supposed to have trouble; you are supposed to be losing your farm."

Are we saying, "If you are young, you are not supposed to stay on the farm. If you are old, we hope you will be able to live long enough to last it out."

Is this what we are saying? I hope not.

Mr. President, I am for the independent hardware store, the independent drugstore, the independent factory. I am for a Government policy which makes it possible for them to survive. I do not always like someone telling me what I have to do every 15 minutes, such as is done under the corporate structure. Mr. President, if corporate big-business farming is to be the new pattern, then one of these days the workers on such farms are going to be organized into a union and when that day comes, when we are debating a bill like this in the Congress, they are going to say, "If we don't get paid, you don't eat."

I have said repeatedly the farmers literally ought to be marching to their courthouses, demanding equity and justice.

If the farmers of America were as well organized as the unions and industry then they would have something to say about legislation affecting them. But the farmer is working 16 hours a day—

trusting his elected representatives to do him justice.

I have put into the *RECORD* indisputable facts as to the hourly wage the farmers of Minnesota are receiving. What good does it do? The Senate just reduces their wages. Apparently the Senate thinks they are being paid too much. They receive something like 45 cents an hour. Apparently some feel they should get 30 cents an hour, so the Senate reduced price supports.

Has anybody thought for a minute what would happen if Mr. Farmer had an organization strong enough so he could say, "Those fellows in the city are getting by too easily. Let us hold up the pork supply. Let us hold back the beef supply. Let us hold back their fruits and vegetables." That is what is done in industry. That is what was done in the coal fields. That is what was done with respect to fuel oil. That is what is done in the case of every other commodity except food.

The farmer has asked only for justice. He does not want to restrict the food supply, and I pray to God he never will. But if American agriculture is "corporatized," that is exactly what he will do.

The most miserable living conditions on this continent are to be found where there are large corporate farms which exploit the wetbacks, the Mexicans, the Jamaicans, and the Bahamians. I do not want that sort of condition existing in this country.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. O'MAHONEY. I wish to point out to the Senator that he may have an ally, in the amendment which he is offering, of whom he is not yet informed. When the Secretary of Agriculture, about a week and a half ago, appeared before the Joint Committee on the Economic Report, I questioned him about certain probable amendments to the pending bill which would protect the family-sized farm, guaranteeing, through the 90-percent support program, the marketability of the farmer's crop, through the loan process, at the same time making it impossible for the big farmer to produce a surplus.

My suggestion was, as I expressed it afterward on the floor of the Senate, that perhaps we could offer 90 percent of parity for the small farmer and flexible supports for the farmer in the larger classification.

The Secretary did not like that suggestion, but he said in his letter to me, which I put in the *RECORD* on March 5, and which will be found on page 3438 of the *RECORD*, that the President had written an objective, which seems to me to be almost identical with the amendment which the Senator from Minnesota now offers.

If I am correct in this interpretation of the President's language, as transmitted to me by Secretary Benson, I think our Republican friends in the Senate ought to know that in supporting the Humphrey amendment they will be supporting the Eisenhower program.

Mr. HUMPHREY. I would even be willing to call it the George Humphrey amendment, naming it after the Secretary of the Treasury, if that would result in its getting any more votes.

Mr. O'MAHONEY. I now read the President's intent, according to Secretary Benson:

First of all, the President's intent was not identical with the objective you have indicated. The President said:

"The average size of farms in American agriculture, as measured by capital or by acres, has rapidly increased. To the degree that this trend is associated with the development of more economic and more efficient farm units it is in the interest of farm families and of the Nation."

Let me interpolate—because this efficiency seems to develop only when the farm has expanded beyond what we normally call a family-sized farm. To return to the President's language:

To the degree, however, that it has resulted in the removal of risk for large farm businesses by reasons of price supports, it is much less wholesome and constitutes a threat to the traditional family farm.

Under the price support machinery as it has been functioning, price-support loans of tremendous size have occasionally occurred. It is not sound Government policy to underwrite at public expense such formidable competition with family-operated farms, which are the bulwark of our agriculture.

I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit.

The Senator from Minnesota has done that. His limit is \$5,000 and 90 percent supports for those making less than \$5,000.

The limit should be sufficiently high to give full protection to efficiently operated family farms.

Mr. HUMPHREY. There is a \$50,000 limit.

Mr. O'MAHONEY. So I take it the President has recommended precisely the program which the Senator from Minnesota has outlined in his amendment.

If I may address the Senator personally, what he is seeking to do, as I understand, is to limit the payment from the Government and the loans from the Government to those large farms which actually do not need it, in the belief that by this limitation they will be more efficient, in the national sense, in the fact that they will not produce a surplus which they must sell at a price which will destroy the whole basis of agriculture.

Mr. HUMPHREY. I wish to thank the Senator for being most helpful. I am fully cognizant of the President's expression on limitation of the amount of price supports, or the total amount of price support loans.

Mr. O'MAHONEY. I made my statement only in the hope that the Senator may get more support.

Mr. HUMPHREY. I thank the Senator. I wish to say, however, that a year ago the Junior Senator from Minnesota introduced a bill making the proposal I am now discussing, which was referred

to the Committee on Agriculture and Forestry.

Mr. O'MAHONEY. And the report was adverse.

Mr. HUMPHREY. The committee sent the bill to the department of Agriculture to get a report as to whether or not the department agreed with a proposal to limit the amount of loans to any one farmer; in other words, whether it recommended a cutoff, or limitation. I think the Senate should know that the Department said it was opposed to it. However, that has no relationship to what the President is for. There are several governments operating in Washington. There is one at the White House. There is one at the Bureau of the Budget. There is one at the Department of Agriculture. So no matter what side of the fence one is on, he can always find somebody in the administration who supports or opposes his position on the farm problem. But if I had a choice, I would rather have the President support me. I am sorry Mr. Benson does not support the President, and I am sorry the President does not support Mr. Benson, but perhaps we can get them together if we write this proposal into the law.

I should like to help President Eisenhower get the price-support limitation into the farm bill. I agree with that part of his farm program. He can have full credit for it. If the proposal should pass, I am perfectly willing that the Washington Post and Times Herald have another headline that reads, "Ike Wins Farm Fight." I noticed another headline which it carried, "Ike's Flexible Wheat Prop Saved by Nixon." They are working together. They saved the flexible wheat program.

I want every farmer in the Wheat Belt to know that the President and his Vice President were kind enough to lower the wheat supports to 76 percent of parity. I want that word to go abroad in the country. Ike likes to have headlines; and he can have this one, too. In fact, I shall take this paper over to the Library of Congress and have it treated like the Declaration of Independence. I do not want this paper crinkled. Instead, I want it preserved, because when the farmers in my section of the country find out that Ike won—the headline is, "Ike Wins Senate Farm Fight"—they will know who got licked, and they will know who got trampled upon—namely, the farmers themselves.

Mr. President, my proposal is twofold.

Mr. MAGNUSON. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Minnesota yield to the Senator from Washington?

Mr. HUMPHREY. I yield.

Mr. MAGNUSON. I rise to hasten to say that the letter read by the distinguished Senator from Wyoming seems to me to be a complete reversal of the administration policy—which must include the President; I presume that he confers with Secretary Benson on these matters. The Vice President must have conferred, too, the other evening.

Mr. HUMPHREY. That is a presumption based on theory.

Mr. MAGNUSON. This being the year 1956, I can understand why we have the letter.

But I desire to point out to the Senator from Minnesota—and I suppose he knows how apropos these figures are, in connection with what he has said today—that only last week the Department of Labor issued statistics from which it appears that under the so-called Benson flexible-parity plan, farm income now has dropped to approximately \$860 per capita, as against almost \$2,000 for people in all other lines of activity. In other words, today the farmer—even with his capital investment—receives for what he does less than one-half of the national income or national “take” per capita, or the average income per capita of all other classes of our working people.

Mr. HUMPHREY. That is correct. In that connection, I wish to read from an article by Joseph and Stewart Alsop, which appeared in yesterday's—March 11—edition of the Washington Post.

By the way, Mr. President, I wish to thank them for taking such an interest in this matter. There has been a dearth of such articles or columns. It is just as important that farmers be given economic justice as it is that city dwellers who use natural gas receive economic justice. In fact, the city dwellers are more able to pay for natural gas than the farmer is able to assist himself, under present prices. I was opposed to the natural gas bill, which is another one of the attempts to obtain privileges for special groups. And I am against the so-called flexible-price-support bill, because it does not work except to the advantage of those who already are at the top of the heap.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. MAGNUSON. I have said that under these circumstances I can see no advantage for the American farmers of the next generation unless they work for big corporations—and I mean really big—or for cooperatives or for the Government.

Mr. HUMPHREY. The Senator from Washington is correct.

Mr. President, I now read a part of the article by Joseph and Stewart Alsop, to which I have just referred:

The warnings of history need to be remembered, at the moment, for the rather simple reason that there would be no really grave American farm problem if it were not for the plight of the family-sized farms. Not all the big farms are prosperous, of course. But almost all of them can take care of themselves, and a great many of them are still enormously prosperous, like the industrialized rice growers recently described in this space.

The people who are not prosperous are the folk on the family-sized farms. They are so unprosperous, in fact, that this Nation is virtually beginning to be divided into two nations. A single statistic tells the story. Per capita farm income has now declined to the level of \$860 a year, whereas the per capita income of Americans off the farm now stands at the level of \$1,922. Farm folk are

much less than half as well off as other folk in America.

Mr. President, I emphasize the part of the article which states:

The people who are not prosperous are the folk on the family-sized farms. They are so unprosperous, in fact, that this Nation is virtually beginning to be divided into two nations.

Mr. President, the great question before us is whether we want any people left on the farms, or whether we want the farms in Minnesota operated from Minneapolis, from the Foshay Tower, as the Twin City ordinances are operated, or whether we want the farms in New York State operated from the Chrysler Building or the Empire State Building. That could happen, Mr. President; workers could be hired to drive the tractors and perform the other mechanized farm operations. The farms could be operated in that way. But in that case, God help the people who now produce the food and fiber for our Nation. If such a development occurred, the farms would be operated like the feudal estates were operated in ancient days. Under such a principle, it would make little difference whether the ones in charge were called industrial managers or barons or dukes; the idea would be the same.

Mr. President, I want to see social justice done. I do not base my request solely on economics, even though the parity price-support program worked very well for 22 years.

The 90 percent of parity program worked all right, too, until those who got in charge of it did not believe in it. Surely, Mr. President, one does not put a fox in charge of a chicken coop, or an arsonist in charge of the police department; and we should not put in the Department of Agriculture people who do not believe in price supports. But that is what has been done.

I repeat that this program is being administered in a spirit which does not lend itself to effective administration and which does not lend itself to a progressing healthy American agricultural economy. The only way out is to try to enact legislation which will be in the interest of the farm families.

Mr. President, I shall yield the floor after saying that the proposed limitation to \$50,000 has been generally supported in this body. If my amendment is not adopted, it is my intention to support the \$50,000 limitation as provided in another amendment.

I want no more articles impugning the self-reliance and moral fiber of our farm families, because of a few large loans to a handful of big operators. The vast majority of our farmers—95 percent—can get by under less than a \$50,000 limitation; but the \$50,000 limitation may be a reasonable one in the case of the mechanized farm operations of today.

Finally, Mr. President, let me say that this administration stands guilty before the American people of permitting a cleavage in our society—as the Alsop brothers have said, a Nation divided—a nation with one group composed of the poor and another group composed of those who are bordering on being well

to do. Mr. President, it is not right. It is shameful for the Congress to dilly-dally regarding these great issues, when we see that today the per capita farm income is only \$860 a year, as compared with a per capita income of \$1,922 of Americans who are not on the farms.

This is not right. It is morally wrong. It is economically wrong. It is politically wrong. I am prepared to take whatever insults are hurled my way. When certain people run out of facts on which to debate the issues, they use attack, bluster, and propaganda. Mr. President, I shall stick to the facts. There are no facts available to prove that this administration has any program in mind whatever except a program to try to bail itself out for 1 year from its surpluses, which have been growing by leaps and bounds.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes in opposition to the pending amendment.

From here on I shall desist from prognosticating as to when the Senate may complete consideration of the pending bill. In early January I predicted hopefully that we would have a bill on the President's desk not later than February 15. At that time I did not take into consideration the customary recess which we afford our friends across the aisle during the week of Lincoln's Birthday. Since that time I stated that I hoped we would finish consideration of the bill by the 15th of March. We are only a few days away from that deadline and the end of debate is not in sight. As a matter of fact, we seem to be moving backward.

Today we started with an amendment which was proposed by the distinguished Senator from Delaware [Mr. WILLIAMS] dealing with a subject entirely foreign to the subject which is now being discussed. The Senator from Delaware first offered an amendment which had as its objective preventing the Government from leasing lands owned by the Government in order to grow crops now in surplus. Instead of proceeding with the consideration of that amendment, the Senator saw fit to offer as a substitute an amendment providing for a \$25,000 limitation on the amount a farmer could borrow from the Government under the price-support program.

My good friend from Minnesota has now come forward with another substitute for that amendment which would provide for a modified 90 percent of parity price-support program.

For the past 3 weeks we have been debating as to whether or not we should retain in the bill 90 percent of parity price supports. Last week the Senate went on record against 90 percent price supports. Now we are confronted with the issue again, in a little different form. It places some of us in a peculiar position. In the past I have supported 90 percent price supports, and I am still for 90 percent price supports. However, this amendment would permit farmers to borrow up to \$5,000 on the basic crops at the rate of 90 percent of parity. If

this amendment is adopted, we shall have 2 sets of price supports, 1 applying to small farmers, whose production is not greater than \$5,000, and the sliding scale applying to the rest of the farmers. All of this, according to the arguments advanced by my colleague from Minnesota, is to assist the small farmer.

Mr. President, I bow to no man in the fight to help our small farmers, but this amendment would not give to the small farmer an acre more of land to cultivate than is being allotted to him under the present law; and yet that seems to be the objective of most of those who are now sponsoring a limitation of \$50,000 or \$25,000. They insist that by limiting support payments, they will help the small farmer obtain more acres to plant. This, Mr. President, the amendment will not do.

It is a great pity that when this law was first placed on the statute books back in 1938, we could not have foreseen World War II and the Korean situation. We might have been able to provide ways and means by which we could better protect the interests of the small farmer. It is my considered judgment that the only way we can now protect them, insofar as acreage is concerned, and in giving them more to sell, is by ultimately increasing their acreage.

It is true that during the war many farmers sold or leased their farms. They saw greater returns in our factories, so they abandoned the small farms. In the meantime, those who were able to mechanize made their operations larger and larger through outright acquisition, as well as through leasing of smaller areas.

In order to accomplish what some Senators now advocate, we would have to change the entire law, because our farmers who produce basic crops are now operating under allotted acreages. These allotments are arrived at on a historic basis, depending upon how much of certain basic crops have been planted by cotton farmers, wheat farmers, tobacco farmers, rice farmers, and peanut farmers over a specified recent period of time. It is provided in the law how those acres shall be distributed. The Secretary of Agriculture must follow a certain formula. We cannot now take away from the large farmers acreage allotments which they have acquired under an established formula.

Mr. President, I hope that from now on we shall not be going back and debating issues which have been passed upon by the Senate, because if we do, we may be here until Christmas before this bill is passed.

For almost a week the Senate has been operating under a limitation of debate, yet we have considered and passed upon only 4 or 5 of the 80-odd amendments pending before us. There seems to be no end to the process of considering amendments, for amendments seem to spawn more amendments.

It is my hope that we shall make an effort to stick to the issues; let us leave politics out for a little while, Mr. President, and the number of amendments will dwindle and our progress will be hastened. That is my hope. Unless we enact legislation and have it on the Pres-

ident's desk some time this month, we might as well abandon the soil bank plan, and we might as well abandon the bill as a whole, for it will be too late to help our farmers this year.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I might point out that even under the \$5,000 proposal we would not be supporting every farmer at 90 percent, because one may have \$5,000 worth of wheat but \$105,000 worth of livestock, hogs, and other commodities. Therefore, it does not follow that what is anticipated would happen under the proposal of the Senator from Minnesota.

Mr. ELLENDER. The Senator is putting the case in a manner a little different from the way I have presented it. A cotton farmer in my State, for example, who grows only one basic crop, may have a total production of no more than 4 bales; he cannot get \$5,000, of course. The proposal would not help this type of small farmer, if the market price is not supported by loans to the farmers who can afford to take advantage of them.

Mr. AIKEN. If he gets \$400, he is doing well.

Mr. ELLENDER. The only way to help these farmers would be by giving them more land on which to plant basic crops. The only way that could be done would be by revising the entire acreage allotment program.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. LANGER. I am quite sure that if in the State so ably represented by the Senator from Vermont, there were 1,000 cows, but if the average number of cows per farm was only 5 or 6, he would be advocating some measure of relief for the farmers who had 5 or 6 cows.

Mr. ELLENDER. I suppose all of us tend to look after our own State's interests. However, it seems to me that we should proceed to enact the bill as soon as is reasonably possible. I do not object to amendments being offered, but every new amendment seems to spawn similar ones. As I said, every day there are brought before us issues on which we have previously voted. We discussed the subject of 90 percent of parity price supports many times. I am in favor of them. I have said many times on the floor that it was the only provision of the bill which would have given immediate relief to the farmer. I am still of that opinion.

However, to bring up the question again and again means that every Senator will want to be heard anew on it, and the first thing we know we will be debating all the controversial questions over and over again. If we do that, we might as well let our farmers know that it will be next year before we pass a farm bill.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ANDERSON. I merely wish to commend the Senator from Louisiana

for expressing the hope that we will not go over and over the same ground.

Almost every time an amendment is before the Senate, it becomes necessary to vote again on the 90 percent of parity provision. I commend the Senator for his insistence that we pass along to other subjects. He knows that he and I differ about the level of the price support. We also recognize the fact that unless a bill is passed, the only one who will really suffer will be the farmer. I join the Senator in the hope that we may not have to debate the same question over and over again, but may pass on to a new subject.

SEVERAL SENATORS. Vote! Vote!

Mr. ELLENDER. If no Senator desires to be heard against the amendment, I yield back the remainder of my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Schoeppel
Case, N. J.	Johnston, S. C.	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Langer	Stennis
Dirksen	Lehman	Symington
Douglas	Long	Thurmond
Duff	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Welker
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	Young
Frear	McClellan	

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

Mr. KNOWLAND. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Minnesota to the amendment of the Senator from Delaware.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AIKEN. Is there any time remaining on the amendment?

The PRESIDING OFFICER. The time has expired.

Mr. AIKEN. Is the vote to be on the amendment of the Senator from Minnesota providing for 90-percent support to producers up to the amount of \$5,000, and then providing price support at the prevailing rate up to \$50,000 worth of commodities?

The PRESIDING OFFICER. The Chair will not undertake to interpret the amendment.

Mr. AIKEN. That is my interpretation of it, and I shall vote "nay."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

I further announce that if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

Mr. KNOWLAND. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent, and, if present and voting, would each vote "nay."

The result was announced—yeas 36, nays 56, as follows:

YEAS—36

Barkley	Jackson	Morse
Chavez	Johnson, Tex.	Mundt
Clements	Johnston, S. C.	Murray
Daniel	Kennedy	Neely
Douglas	Kerr	Neuberger
Ervin	Langer	O'Mahoney
Frear	Lehman	Russell
George	Magnuson	Scott
Gore	Mansfield	Sparkman
Hennings	McCarthy	Symington
Hill	McNamara	Thurmond
Humphrey	Monroney	Young

NAYS—56

Aiken	Duff	Martin, Pa.
Allott	Dworshak	McClellan
Anderson	Eastland	Millikin
Barrett	Ellender	Pastore
Beall	Flanders	Payne
Bender	Fulbright	Potter
Bennett	Goldwater	Purtell
Bible	Green	Robertson
Bricker	Hayden	Schoeppel
Bridges	Hickenlooper	Smathers
Bush	Holland	Smith, Maine
Butler	Hruska	Smith, N. J.
Byrd	Ives	Stennis
Capehart	Jenner	Thye
Carlson	Knowland	Watkins
Case, N. J.	Kuchel	Welker
Case, S. Dak.	Long	Wiley
Curtis	Malone	Williams
Dirksen	Martin, Iowa	

NOT VOTING—3

Cotton	Kefauver	Saltonstall
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So Mr. HUMPHREY's amendment to Mr. WILLIAMS' amendment was rejected.

Mr. WILLIAMS. Mr. President, in accordance with a previous agreement with the Senator from Utah [Mr. WATKINS] and other Senators, I should like to modify my amendment at the desk by striking out "\$25,000" and inserting in lieu thereof "\$50,000."

The PRESIDING OFFICER. The amendment will be modified accordingly. The question is on agreeing to the amendment as modified.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JENNER. Mr. President, I offer an amendment to the amendment of the Senator from Delaware, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated by the clerk for the information of the Senate.

The CHIEF CLERK. At the end of the amendment offered by the Senator from Delaware [Mr. WILLIAMS], it is proposed to insert a new section, as follows:

Compensation paid any producer for participating in the acreage-reserve program with respect to land in any one State in any year shall not exceed \$25,000.

Mr. WILLIAMS. Mr. President, I have no objection to the amendment offered by the Senator from Indiana if I may modify my amendment accordingly, unless Senators wish to have a vote on it.

Mr. ELLENDER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The question now is on agreeing to the amendment of the Senator from Delaware, as modified.

Mr. ELLENDER. Mr. President, as I understand, the time on each side has been exhausted.

Mr. JENNER. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. Does the Senator from Indiana seek recognition on his amendment?

Mr. JENNER. I do; and I yield 10 minutes of my time to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. What is the question now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana to the amendment of the Senator from Delaware, as modified.

Mr. WILLIAMS. Mr. President, this amendment offered by the Senator from Indiana is the same as the amendment I had offered, which is on the desk of Senators, and is designated "2-22-56-B." I am wholeheartedly in favor of its adoption.

The purpose of the amendment is to place a limitation of \$25,000 on the amount which can be paid to any single participant in the acreage-reserve program.

As the bill is written, without some limitation, it provides that anyone can put up to 50 percent of his allotted acreage into the reserve program or the so-called soil-bank program.

Let me cite an extreme case. Let us consider an individual in the Montana area who has 340,000 acres allotment of wheat. Without some limitation, he could put one-half, or 170,000 acres, of his allotted acreage into the soil-bank plan and receive for it an average of approximately \$20 an acre, or a total of \$3,400,000 for taking one-half of his acreage out of cultivation.

I do not think it is the intention of Congress that the proposed law should be applied for any such purpose as that. Neither is it the intention of Congress to underwrite the farm operations of some of the larger insurance companies.

The bill, even with this limitation, would take care of over 98 percent of all the farms in the country with respect to the amount of acreage which could be set aside under the soil-bank plan.

Certainly, \$25,000 would be a sizable check for any farmer to receive from the

Government for not planting any specific crop or crops. Therefore, I urge the adoption of the amendment.

It was never intended that this soil-bank proposal be a bonanza for the absentee farmer. Unless some restriction is written in the law a small percentage of individuals will reap a major portion of the benefits.

Mr. ELLENDER. Mr. President, I rise in opposition to the amendment. It limits to \$25,000 the amount which may be paid to any producer under the acreage-reserve program. The main purpose of the acreage-reserve provision in the soil-bank program is to curtail production of the basics so as not further to aggravate the present surpluses. The amendment, in my humble judgment, may prevent the Secretary of Agriculture from getting the desired number of allotted acres placed in the acreage reserve and thus may defeat the primary purpose of the farm bill—that is, to reduce the surpluses which now exist for all of the basic commodities.

In the bill we are now considering, the Secretary of Agriculture is given broad powers to accomplish the objective of relieving our markets of surpluses, by encouraging farmers to refrain from planting a portion of their allotted acres.

I have explained before how the plan would work, but for the benefit of Senators who were not present in the Senate at that time, I will explain it again. The reserve-acreage provision covers only the allotted acres for the basic crops. The Secretary of Agriculture has been given broad powers to go into the States which produce cotton, peanuts, wheat, corn, rice, and certain types of tobacco in order to try to have as many acres as possible diverted from the production of those basic crops. The only limitation that we have in the bill with respect to the acreage-reserve program is the amount of the appropriation authorized. The total amount that may be spent in any 1 year for the acreage-reserve phase of the soil-bank program is \$750 million.

It strikes me, Mr. President, if we start tying the hands of the Secretary, in administering the program he might not be able to obtain the number of acres that ought to be set aside in order to bring the supply of basic commodities in balance with demand. I ask that the amendment be voted down.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. Does not the Senator have any fear that in the case of some large wheat acreages, such as the Senator from Delaware has suggested, the \$20 payment per acre might actually result in paying to the operator more than the land could be sold for on the open market?

Mr. ELLENDER. There is a possibility of that, but we tried to protect against such an eventuality by providing in the bill that the farm is to be operated in the same manner as it is now operated. The Secretary will have ample authority to set the level of payments so

that abuses of this kind cannot occur. If the farmer has tenants, the tenants are to be protected and the Secretary can take steps to discourage their being put off the farm. I repeat—the objective of the acreage reserve provision of the soil bank program is to get farmers who have acreage allotments for the production of basic commodities, to refrain from planting some of their allotted acres and thus bring about a reduction of production.

Mr. CASE of South Dakota. I think the Senator has a very good point in that respect.

Mr. ELLENDER. Whether the acres are obtained from small farms or big farms, the objective is to reduce the plantings of allotted acreage.

Mr. CASE of South Dakota. I think it is all right to provide a 100-percent crop insurance plus an incentive for a reasonable amount of one's cropland, but if that is going to be done for some of the very large wheat acreages I think the Government may find itself in a position of paying more than the land is worth.

Mr. ELLENDER. The Secretary has wide discretion to prevent such abuses. He does not have to enter into a contract unless he determines that such a contract will further the objectives of the acreage-reserve program. The point I desire to make is that the size of the farm should not make any difference—an allotted acre for wheat that is placed in the acreage reserve will contribute just as much to the reduction of surpluses, irrespective of the size of the farm operation from which it is diverted. This is not a handout to farmers—it is an incentive program designed to reduce production of the basic commodities.

Mr. GORE. Mr. President, I offer an amendment to the amendment of the Senator from Delaware to strike out the last pragraph.

The PRESIDING OFFICER. The amendment is not eligible, because the question is on the amendment of the Senator from Indiana to the amendment of the Senator from Delaware. Therefore the amendment of the Senator from Tennessee would be in the third degree.

Does the Senator from Indiana seek further recognition?

Mr. JENNER. I ask for the yeas and nays on my amendment to the Williams amendment.

The yeas and nays were ordered.

Mr. JENNER. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, while it is true that this amendment would restrict the authority of the Secretary to a certain extent, it seems to me it is hardly likely that anyone would be expected to put enough land from any one farm in the acreage reserve, which would require a payment of over \$25,000. Assuming a payment of \$50 an acre, that would permit 500 acres to be retired.

I doubt that there are many farms in the country which would be adversely affected by the amendment. I think it would be helpful to the Secretary to place limitations on the payments which could be made to any one person.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. AIKEN. Yes, I yield. I am speaking about payments made under the acreage reserve program.

Mr. RUSSELL. I understand that, and I am in agreement. I think a limitation of \$25,000 on such payments is adequate, but I am concerned about the proposition which undertakes to limit loans to \$25,000. I wondered how the Senator from Vermont would feel about increasing the amount to \$75,000.

Mr. AIKEN. I understand that as the amendment reads the total of price support loans to any one farmer would be restricted to \$50,000. I agree with the Senator from Georgia that there is a question as to whether that is adequate or not, because there are many families in the United States today who produce more than \$50,000 worth of crops on one farm. Let us consider some nonbasic commodities, for example, the orchard business. If a farm family in the orchard business does not produce over \$50,000 worth of commodities, it had better get out of the business completely, because it has to buy all the equipment which is necessary.

Personally, I think a limitation of \$50,000 on loans for commodities would be rather small. However, I think the amendment which the Senate is now called to vote on, limiting payments under the acreage reserve to any one farm to \$25,000, would be helpful.

Mr. RUSSELL. I understand the parliamentary situation. I am not in any doubt as to the parliamentary situation—

Mr. FULBRIGHT. Mr. President, may we have order? I cannot hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. AIKEN. I do not understand the Senator from Georgia.

Mr. RUSSELL. The amendment of the Senator from Indiana is to the amendment offered by the Senator from Rhode Island.

Mr. AIKEN. Maybe we are referring to two different amendments.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JENNER. Mr. President, I yield 10 minutes to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, I may say to the Senator from Georgia, the original amendment, which, on the suggestion of the Senator from Utah and other Senators, was changed to provide for \$50,000, is applicable only to crop loans. It has no relation to the acreage reserve payments. In other words, if both proposals are adopted, a farmer would be able to draw up to \$25,000 under the acreage-reserve program, which in effect is for nonplanting, and on the land which was planted he would still be eligible to receive up to \$50,000 for crop supports.

I point out to the Senator from Georgia that after the amendment is adopted the original amendment would be open to further amendment.

Mr. RUSSELL. If the Senator will yield, I do not want to make the \$50,000 proposition too attractive by adding a provision for a \$25,000 soil-bank pay-

ment to it. I am perfectly willing to support the soil-bank payment limitation of \$25,000, which I regard as reasonable, but I think the \$50,000 limitation on loans is inadequate and is going to pinch some farmers. The margin of profit on some farm commodities is very low, and a man who raises \$50,000 worth of commodities may not be earnings more than \$10,000 or \$15,000 a year.

Mr. WILLIAMS. There will be an opportunity to change the first figure. It could not be done now, however, since the yeas and nays have been ordered. Such an amendment would not be in order until after the disposition of the amendment of the Senator from Indiana.

Mr. RUSSELL. I am aware of the parliamentary situation.

Mr. WILLIAMS. Putting the two proposals together was not done with any idea of trapping the Senator from Georgia or anyone else, but it was done for the purpose of saving time. I think if the Senate could vote on the proposal offered by the Senator from Indiana, which I think has much merit and as to which we are very much in agreement, certainly the Senator from Georgia would be in a position to offer his amendment later.

While I will not support his amendment I will say that its adoption would not destroy the principle which we are trying to establish here, namely writing in some restriction on these payments.

Mr. DIRKSEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield?

Mr. DIRKSEN. I wish to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. I should like to inquire what it is the Senate is being asked to vote on. It is my understanding that the Senator from Delaware could not modify his amendment by accepting the amendment of the Senator from Indiana without unanimous consent.

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. There was objection to the unanimous consent. Consequently, the amendment could not be modified.

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. I presume the Senate shall vote on the amendment of the Senator from Indiana as an entirely separate amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUSSELL. It is a separate proposition in that it is separate now, but it has to be inseparable if it is adopted and added to the amendment of the Senator from Delaware. I understand the situation perfectly. I shall vote for the \$25,000 limitation. But I wish it definitely understood that if that amendment is agreed to, I shall vote against the amendment as amended, unless the limitation on the crop loans is substantially increased.

Mr. WILLIAMS. Mr. President, let me say to the Senator from Georgia that after this amendment to my amend-

ment is voted on, there will be an opportunity for him to offer an amendment providing the other figure.

Mr. RUSSELL. I think I understand the situation.

Mr. WILLIAMS. Under the parliamentary situation, I think that can be done without obtaining unanimous consent. However, if unanimous consent is required for that purpose, I shall support it. I have no intention of depriving the Senator from Georgia a right to submit his proposal.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Does the Senator from Indiana yield back the remainder of his time?

Mr. JENNER. I do.

Mr. WILLIAMS. Mr. President, I have already yielded back the remainder of my time.

Mr. ELLENDER. Mr. President, I have not yielded back all the time available to the opposition. There may be some other Senators who desire to speak against this amendment to the Williams amendment.

I simply wish to repeat, for the benefit of Senators who may not have been in the Chamber earlier, that insofar as the acreage reserve is concerned, if we impose any payment limitation, it may be entirely possible that the Secretary will fail to obtain the number of acres necessary in order to prevent the piling up of surpluses, as intended by the provision for the soil bank.

I am very hopeful that the Senate will reject this amendment.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of the time available to his side?

Mr. ELLENDER. I yield back the remainder of the time available to our side, Mr. President.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Colorado will state it.

Mr. ALLOTT. In voting on the pending question, which is on agreeing to the amendment of the Senator from Indiana [Mr. JENNER], which would add a separate figure at the end of the amendment of the Senator from Delaware [Mr. WILLIAMS], if the amendment of the Senator from Indiana to that amendment is agreed to, and if the amendment of the Senator from Delaware, as thus amended, thereafter is rejected, what will be the result?

The PRESIDING OFFICER. If the Senate adopts the amendment of the Senator from Indiana, so that it is added to the amendment of the Senator from Delaware, and if the amendment of the Senator from Delaware, as thus amended, is subsequently rejected, both amendments will be rejected, in effect.

Mr. ALLOTT. Then, Mr. President, I misunderstood the Chair's previous announcement. As I now understand, the amendment of the Senator from Indiana is an amendment offered to the amendment of the Senator from Delaware.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the amendment of the Senator from Indiana [Mr. JENNER] to the amendment, as mod-

ified, of the Senator from Delaware [Mr. WILLIAMS]. On this question, all time has been yielded back.

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

I further announce that if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. COTTON] is necessarily absent. If present and voting, he would vote "yea."

The result was announced—yeas 84, nays 9, as follows:

YEAS—84

Aiken	Frear	Millikin
Allott	George	Monroney
Anderson	Goldwater	Morse
Barkley	Gore	Mundt
Barrett	Green	Murray
Beall	Hennings	Neely
Bender	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Pastore
Bricker	Hruska	Payne
Bridges	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Robertson
Byrd	Jenner	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoeppel
Case, N. J.	Kennedy	Scott
Case, S. Dak.	Knowland	Smith, Maine
Chavez	Kuchel	Smith, N. J.
Clements	Langer	Sparkman
Curtis	Lehman	Symington
Daniel	Magnuson	Thurmond
Dirksen	Malone	Thye
Douglas	Mansfield	Watkins
Duff	Martin, Iowa	Welker
Dworschak	Martin, Pa.	Wiley
Ervin	McCarthy	Williams
Flanders	McNamara	Young

NAYS—9

Eastland	Hayden	McClellan
Ellender	Kerr	Smathers
Fulbright	Long	Stennis

NOT VOTING—2

Cotton Kefauver

So Mr. JENNER's amendment to Mr. WILLIAMS' amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the modified amendment of the Senator from Delaware [Mr. WILLIAMS], as amended.

Mr. RUSSELL. Mr. President, I move to amend the original amendment proposed by the Senator from Delaware by striking out the figure \$50,000 and inserting the figure \$100,000.

This is the reason for my amendment: The amendment just adopted deals with moneys which are paid directly to the farmer. The \$25,000 limitation on payments to any one farmer in any one State under the acreage reserve program is, in my opinion, a fair limitation; but we are dealing with a completely different subject in the amendment proposed by the Senator from Delaware. We are there dealing with loans which are made to farmers.

There are many farmers who produce \$50,000 worth of commodities but who make a very small margin of profit. Some of them even lose money when they produce \$50,000 worth of commodities. The Government does not pay out that money. The Government has the commodity on hand, and it may lose something in some cases. However, the \$50,000 limitation will catch a great many small farmers and many men who

need this support program if it is to operate at all.

I hope Senators will vote for this much more realistic approach to the support program. Bear in mind, this figure does not refer to payments which are made. It refers merely to loans made on commodities. There is a very great difference between the two programs.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BUSH. Has there been any limitation upon such loans heretofore?

Mr. RUSSELL. None to my knowledge. I do not think there has been any at all. Under the soil-conservation program, there have been limitations as to the amount paid certain farmers.

That limitation has been as low as \$10,000, although several years ago, in an appropriation bill, we got it back to \$25,000. But there has been no limitation heretofore upon the amount of loans. I can understand the concern of Senators over loans of three or four million dollars. However, a gross production of \$100,000 on a farm does not mean that we are dealing with a big, rich farmer.

Mr. WILLIAMS. Mr. President, I am not saying that the adoption of the amendment of the Senator from Georgia would not destroy what we are trying to accomplish, namely, to place in effect some limitation whereby the large farmer would not be eligible for price supports under this program. We debated the issue at length earlier this afternoon.

It is more or less a question as to whether the figure should be \$50,000 or \$100,000. I will admit that we are moving into a field into which we have had no previous experience when we place ceilings on these loans. If it is the judgment of the Senate at this time not to accept the amendment, we can still impose a lower limitation later if it is considered necessary.

The major feature of the amendment now before us is the establishment of the principle of placing a ceiling on the amount of crop support which a farmer may receive, and to restrict such support to bona fide farmers. The amendment of the Senator from Indiana [Mr. JENNER] provides a most constructive restriction on the operation of the acreage reserve program, and would prevent it from becoming a bonanza for absentee farmers.

I shall not ask for a yea-and-nay vote. However, I hope the amendment of the Senator from Georgia will be rejected but if not I still urge the Senate to adopt the final amendment as modified.

The amendment of the Senator from Georgia will not destroy the principle of what we are trying to do, namely, place some ceiling on these benefits and keep the Government assistance for bona fide farmers.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WATKINS. Does the Senator remember the table which was placed in the RECORD, showing those who, in the past, had loans of more than \$25,000?

In the case of wheat, only 1,468 farmers in the past received loans of more than \$25,000.

Mr. WILLIAMS. I do not know whether that table has been incorporated in the RECORD, but if it has not been incorporated in the RECORD, if it is agreeable to the Senator from Utah, I shall ask unanimous consent that it be made a part of the RECORD.

Mr. WATKINS. It has already been made a part of the RECORD. I did so when I discussed this particular topic.

When it comes to corn, only 104 farmers received loans of more than \$25,000. That does not affect very many farmers.

Mr. WILLIAMS. That is correct. Personally, I am not concerned with the figure of \$50,000. I think it is adequate. The major objective is to establish some ceiling on the amount of crop supports a farmer can receive. At the same time, it is very important that we place a ceiling on the amount of payments under the acreage reserve program.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. I merely wish to say, in answer to the able Senator from Utah, that his figures, I am sure, are correct. That is the very reason why we have low farm prices and why we have surpluses. It is because the farmers have not been complying with the acreage controls to entitle them to support prices. The reason we have low farm prices and surpluses is that farmers have not been complying with acreage controls. If we adopt this proposal we will defeat what we are trying to do with respect to reducing surpluses and raising farm prices in the market place. We will be defeating the very thing we are trying to do.

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The time is under the control of the Senator from Georgia [Mr. RUSSELL] and the Senator from Louisiana [Mr. ELLENDER]. Does the Senator from Georgia yield back the remainder of his time?

Mr. RUSSELL. I reserve the remainder of my time. I shall be glad to yield back my time if the other side is willing to do so.

Mr. ELLENDER. The chairman of the committee was so badly defeated a few minutes ago, that he hesitates to make any further suggestions.

However, the same argument which I made a short time ago in opposition to the \$50,000 limitation on price supports applies also to the \$100,000 limitation. Let us not forget that the loan program is not a subsidy. It permits a farmer who has complied with his allotted acres the right to go to the Commodity Credit Corporation and obtain loans on his crops. The purpose of the program is to prevent the farmer from being compelled to dump his production on the market and in that way force the price down.

If we limit the amount of price-support loans to \$100,000 per person, it will mean that the large grower of any commodity, whose production is in excess of \$100,000 will have to sell or dump his

crop on the market and thereby break the market. That certainly would be injurious not only to the Government, but eventually to all farmers.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG. As a matter of fact, it would work two ways: First, the producer could not keep his crop off the market by putting it into the soil bank; and, second, the commodities he would produce on those acres he would have to dump on the market.

Mr. ELLENDER. My distinguished colleague is eminently correct. That was the second point I was about to raise. So far as the \$25,000 limitation on the acreage reserve is concerned, that, in my humble judgment, will tie the hands of the Secretary of Agriculture. As the bill is now written, the Secretary of Agriculture may go into a State where there are probably 2, 3, or 5 very large farmers who might be willing to underplant their acreage allotment, thereby reducing production of commodities now in surplus. It should not make any difference to the Government where the reduction is made. It will cost just as much per acre whether we take them from a wheatgrower who has 100,000 acres, or from 1 who has 10,000 acres, or from 1 who has 5,000 acres or 5 acres. Likewise, it will contribute just as much to our objective of reducing surpluses. The objective of the acreage reserve is to get production down, so as not to further aggravate our surpluses. That is the whole purpose of it.

Mr. FULBRIGHT and Mr. CAPEHART addressed the Chair.

Mr. ELLENDER. We would simply be tying the hands of the Secretary of Agriculture, and possibly prevent him from obtaining full participation in the acreage-reserve program. We considered this subject in committee. There was only one limitation in the bill that was before the committee, and that was with regard to the conservation reserve. My recollection is that the Senator from Florida objected to it. He made a motion to eliminate the limitation, and it was adopted by a vote of 10 to 2. The committee felt that it should not tie the hands of the Secretary in the operation of the two programs.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Let us consider corn. Any farmer to be eligible for the support price on corn must this year reduce planted acreage by 21 percent, whether he has a big farm or a small farm. What we want is a reduction in the number of acres planted, so as to reduce production, and in that way have the farmer get a higher price. We would hurt the little farmer if we did what is proposed to be done. We would not hurt the big farmer, but only the little one, because we would be encouraging the big farmer to overproduce and thereby create surpluses, which will press down on the little farmer. Therefore, I cannot vote for the amendment, because I am trying to get rid of the surpluses, and I am trying to make certain that the

surpluses do not accumulate again. I want to see the farmer get 100 percent of parity in the market place. This proposal would do just the opposite.

Mr. ELLENDER. In our discussions in committee we studied the problem very closely. The restriction would tie the hands of the Secretary of Agriculture and would defeat our objective. As my colleague has just stated, we would say to the farmer, "We are going to limit you to \$25,000 in acreage reserve payments." It may be possible that there may be 4 or 5 large farmers in the State of Louisiana who might be willing to take such a cut in their allotted acres that it would require payments above \$25,000. By doing so, they would not make it necessary for the Secretary to attempt to get acreage reductions of uneconomical proportions from smaller farmers. If the Secretary of Agriculture is denied the privilege of selecting the acres that he feels can best be taken out of production, in an area where he should be given the broadest discretion, we are simply tying his hands. In my humble judgment the restriction will result in making the soil bank—I will not say it will be rendered inoperative, but it will certainly hamper the Secretary and may prevent him from retiring from production the full number of acres established as an acreage-reserve goal.

Let us not forget that the purpose of the acreage reserve is to reduce production on the allotted acreage. That is the purpose of it. Whether the acreage is taken from a small farm or a large farm or a medium-sized farm should make no difference, because our purpose is to reduce the huge surpluses, and not further aggravate them. If discretion on the part of the Secretary and freedom of decision on the part of all farmers are curtailed, we may find that the soil bank will result in a lot of uneconomic production.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I thoroughly agree with the statement just made by the Senator from Louisiana [Mr. ELLENDER]. I wish the RECORD clearly to state that the reason I voted for the preceding amendment was that the spokesman for the administration—and the soil-bank proposal, by the way, is an administration proposal—had stated publicly on the floor that the \$25,000 limitation is adequate to take care of it. That is the only reason that I voted for it.

Mr. ELLENDER. When was that statement made? It was not made before the committee. There was no limitation before the committee on payments under the acreage reserve program. That was never mentioned.

Mr. HOLLAND. I understand. If the distinguished chairman will allow me to continue, I should like to say that, while the amendment offered by the distinguished Senator from Georgia is vastly preferable to the original form of the amendment offered by the Senator from Delaware [Mr. WILLIAMS], I still think it is unrealistic. I will tell the Senate why I think it is unrealistic. It is coupled now with the \$25,000 limitation on the acreage reserve. The acreage

reserve is presumed to be, in general, about a 50-percent payment for what the production value would be if the acreage was actually used to produce. Therefore, the \$25,000 acreage reserve limitation is about equal to \$50,000 of total production.

If the \$100,000 figure advanced by the Senator from Georgia [Mr. RUSSELL] is adopted, it would mean that we would be applying a limitation which is completely out of line with what we have been planning, because I have not heard anyone suggest that it is hoped to retire in the soil bank one-third of the acreage of any sizable holdings. That puts the \$50,000 productive value against the \$100,000 productive value, and I believe it indicates very clearly that we are not adopting a limitation which is in line with the real program, that of retiring 10 or 15 percent of the acreage.

As the distinguished chairman of the committee well knows, the 2 figures would be hopelessly inconsistent with each other in the 2 phases of the program, and I would dislike to see even the more generous figure suggested by the Senator from Georgia adopted, although I greatly prefer his figure to the one originally suggested by the Senator from Delaware [Mr. WILLIAMS].

Therefore I completely agree with the Senator from Louisiana, the chairman of the committee, in the argument he has made.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KERR. Is it correct to say that the bill as reported to the Senate includes as one of its principle features in the soil bank section a provision to secure the retirement from production of allotted acres?

Mr. ELLENDER. That is correct.

Mr. KERR. Is the incentive provided in the bill whereby it is hoped to bring about a reduction of allotted acres the provision to which the chairman of the committee has referred as reserved acres?

Mr. ELLENDER. Yes. As stated, the Secretary of Agriculture is given full power to pay whatever incentive may be necessary to encourage the farmers to take their allotted acres out of production so as not further to aggravate our present surpluses.

Mr. KERR. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. KERR. Is it the principle of the bill that there be an incentive to retire allotted acres as reserve acres on a purely voluntary basis under the bill?

Mr. ELLENDER. The Senator is correct.

Mr. KERR. Then, as I have understood the chairman of the committee, he has stated to the Senate that his reliance upon this feature of the bill to bring about the retirement of adequate acres to bring production into balance with demand has been, first, that it is voluntary; second, that there is an added incentive to bring about a retirement of allotted acres; and, third, that if the incentive is held out, and possibly 25 or 50 or 75 percent of the farmers do

not respond, the remaining percentage may respond to the extent that the overall program will be successful in bringing about the retirement of an adequate number of allotted acres to accomplish the result of a decrease in production to bring it in line with demand?

Mr. ELLENDER. The Senator is correct.

Mr. KERR. Then, is it not a fact that the \$25,000 limitation which we have placed on the reserve-acre-retirement program is a brake or a self-imposed limitation upon the opportunity of the farmers to make it successful?

Mr. ELLENDER. Yes; it is a brake that the Congress will have imposed, should the so-called Jenner amendment become law.

Mr. KERR. Having placed that limitation, if we place a \$100,000 limitation on the loan available to a farmer who produces from his allotted acres which he does not retire from production, under the other phase of the soil-bank program, it is merely another limitation which will result, in many cases, in the production of an amount greater than the \$100,000 would provide for, thereby creating production which would not be available for loans, and thereby creating a further weight on the overall market for the particular product?

Mr. ELLENDER. Let me say to the Senator from Oklahoma that the farmer, either large or small, would be limited in his production because of acreage allotments. In other words, he could not produce all he desired without incurring marketing penalties.

Mr. KERR. I am talking about his allotted acres.

Mr. ELLENDER. Yes.

Mr. KERR. So if he has a large number of allotted acres under the existing law, then, under the amendment just adopted, he could not retire enough to get more than \$25,000 of benefits with the limitation on his allotted acres.

Mr. ELLENDER. That is what I am complaining about. He may be 1 or 2 or 3 in the community who might be willing to retire a large proportion of his allotted acres, while the remaining farmers in the area refuse to participate in the acreage reserve.

Mr. KERR. Having done that, if he still has allotted acres sufficient to produce corn or wheat or rice or cotton, that would put him in a bracket where he would have a greater production than the \$100,000 loan would provide for, and then his only other alternative would be to dump his entire production on the market, which would be a burden on everyone producing that commodity. Is that correct?

Mr. ELLENDER. That is exactly correct. I misunderstood the Senator a moment ago.

Mr. YOUNG. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. I believe the conclusion of the Senator from Oklahoma is quite correct.

Mr. ELLENDER. As I understood the Senator from Oklahoma, he was referring to production on allotted acres. There are many wheat producers who

produce crops at present under their allotted acres valued at more than \$100,000. Such a producer could place only \$100,000 of his crop under price support loans, and if he could not find anyone to finance his retaining the rest of it until the market price firmed up, he would have to dump his product on the market and thereby ruin the market, not only for himself, but for all other farmers.

Mr. THYE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. THYE. The wheat producer would have to have his certificate to qualify him to sell his wheat. If he were in excess of his allotted acres, of course he would be under penalty if he sold any wheat.

Mr. ELLENDER. That is correct.

Mr. THYE. So, we have a problem here. While we admit that only a few producers would be affected above \$50,000, we would foreclose the retirement of possibly many acres from wheat, because that would put the farm operators in a position where they could not qualify one way or the other. Therefore, I think the amendment proposed by the Senator from Georgia might have more commonsense than is indicated simply by the figure \$100,000 as against \$50,000. Other factors must be considered. First, we must have compliance with acreage allotments, and if the farmer is growing more wheat than is represented by a loan of \$100,000 or a loan of \$50,000, we simply foreclose that man's farm operations, because we deny him the right to a commodity loan when he is in compliance in every other respect.

I believe the amendment offered by the Senator from Georgia is sound. On the face of it, we might question the figure of \$100,000, but when we study the precise aspects of the question, it is not unjust and it is not unreasonable to permit a farmer to remain in compliance and to qualify for a commodity loan. If we fail to do that, it seems to me we shall place the entire program in jeopardy.

Mr. ELLENDER. May I state to my good friend from Minnesota that the amendment offered by the distinguished Senator from Georgia is an improvement on the amendment submitted by the Senator from Utah. But the point I am making is that in the case of a farmer who produces cotton far in excess of \$100,000 worth, we must ask what is he going to do with it if he cannot borrow on it to pay current expenses and things of that kind? The answer is obvious—he is going to dump the commodity on the market.

Mr. THYE. If the Senator from Louisiana will yield further, that is exactly the reason why I say that even though the farmer may be in complete compliance, he would be denied a loan, and the ultimate result would be noncompliance, which would jeopardize the entire program in a short period of time.

Mr. ELLENDER. The Senator from Minnesota is correct. As he knows, the Secretary of Agriculture has already established acreage allotments for the basic commodities. That was done on

the assumption that the law then on the statute books would be the one by which he would be guided. But here we are changing the rules in the middle of the game.

Mr. THYE. The Senator is entirely correct. We have noted that a few commodity loans were in the hundreds of thousands of dollars, and no one would express approval of such a situation. However, if we prevent many farmers from qualifying for commodity loans, we shall place the entire program in jeopardy.

It is for that reason that I say to my friend that even though some of us are critical of allowing one individual producer a loan of \$50,000, the entire program might well be jeopardized if we so restrict it that we make it impractical and impossible for producers to comply.

On wheat a double restriction is imposed. First, an acreage allotment; second, a marketing certificate is required to enable the farmer to market what he might produce in excess of the quota. Thereby, he will be denied the right to sell in excess of his quota.

On cotton, the producer might sell in excess of the amount permitted by the program, because we say he cannot get a commodity loan in excess of \$50,000. He will say, "What is the use? That would be only a fraction of my crop; therefore, I will disregard the acreage allotment; I will disregard the program. I will try to sell on the open market for what I can get."

Then, without compliance, more cotton will be thrown onto the market than would have been the case if a higher commodity loan limit had been established, such as a \$100,000 limit, thereby assuring a greater degree of compliance on the part of the producer.

Mr. ELLENDER. Mr. President, an effort is now being made, I am sure, by many Senators to carry out the suggestion made by the President in his message to Congress. His recommendation No. 4 is headed "Dollar Limit On Price Support," and reads as follows:

The average size of American farms in American agriculture, as measured by capital or by acres, has rapidly increased. To the degree that this trend is associated with the development of more economic and more efficient farm units it is in the interest of farm families and of the Nation. To the degree, however, that it has resulted in the removal of risk for large farm business by reason of price supports, it is much less wholesome and constitutes a threat to the traditional family farm.

When that matter was discussed before our committee with the Under Secretary of Agriculture and his assistants, they realized the proposal was still in the process of being studied, and they were not ready to make specific recommendations as to what ought to be done.

All of us, as I said a while ago, are more than willing to try to keep the small-sized farm in operation. I favor that. But that objective will never be accomplished in the manner which is now being suggested.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. All of us want to help the small farmer. Under the soil bank program, the fundamental principle is that the acreage must be reduced if any production is to be taken away from the big farmer. The small farmer, the man farming 80, 90, 100, 160, or 200 acres, is the fellow we are trying to help.

The farmer who has only 30 or 40 acres of corn allocation is not going to take any of his acreage out of production. He cannot afford to do so. He farms his land by himself. He is not going to go through the field, farm 20 acres, and leave 2 acres lie idle. We know he will not do that.

So, if we are to secure any acreage reduction under the acreage reserve plan it will be necessary to reduce the acreage of the big operators. If we are for the small farmer and want to help him, then we should not place any restrictions in the bill. If we do, the big farmer will continue to grow as much as he ever did, perhaps more, and will run the prices down on the small farmer.

That is the fundamental principle of the soil bank. We simply cannot take any other meaning from it. We might as well face the issue that if we are for the small farmer and want to help him, then it will be necessary to impose the acreage reduction and the decrease in production on the big farmer, because the little farmer just cannot afford to do those things. He will not split a 10-acre or a 20-acre field in order to take out 1, 2, or 5 acres, and place them in the soil bank or the conservation bank. He simply will not do that.

I shall have to disqualify myself, possibly, because I operate a fairly large-sized farm. But I am pleading with Senators that if they want to reduce surpluses and to make certain that surpluses do not accrue in the future, and if they want to help the little farmer and to keep prices up, then we should not agree to this amendment. But if we do not care, if we want more production instead of less production, then go ahead and place a limitation on the farmers.

Mr. THYE. Mr. President, will the Senator from Louisiana yield 2 minutes to me, so that I may reply to the Senator from Indiana?

Mr. ELLENDER. I yield 2 more minutes to the Senator from Minnesota.

Mr. THYE. Would the Senator from Indiana object to a \$100,000 loan limitation?

Mr. CAPEHART. I would object to any limitations.

Mr. THYE. The Senator would object to any limitation whatever?

Mr. CAPEHART. Yes, because any kind of limitation would defeat the very thing we were trying to accomplish.

Mr. THYE. That was my contention; but the \$100,000 limitation would, in my opinion, meet the basic objectives sought.

In the case of cotton, if a farmer is disqualified from getting a commodity loan, then he may stay outside the program and produce all the cotton he can on his 100 acres, and sell it on the cash market for whatever it may bring.

On the other hand, if he were given an incentive to come under the program, he would retire a certain percentage of his land and remain in compliance. This would help to stabilize farm markets.

If the market is ruined, it will be ruined also for the family-sized farmers, whom the Senator so well champions.

Mr. CAPEHART. There is not a Senator on the floor who has not received complaints from small farmers that their acreage allocations for corn and other crops were so meager that they could not get along under them. Therefore, we know the small farmers are not going to turn over any of their acreage to the conservation or acreage reserve. We know that if we are going to help the small farmer, if we are going to reduce surpluses, and if we are to raise prices, it will be necessary to take the production away from the big farmers. By adopting the amendment, we shall be defeating the very thing that I know we are trying to do. We are moving in the wrong direction.

Mr. KERR. Mr. President, will the Senator from Louisiana yield 3 minutes to me?

Mr. ELLENDER. I promised to yield first for 5 minutes to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, I cannot say I am in accordance with the views of the Senator from Indiana. It seems perfectly ridiculous to approach the farm problem by saying that we have to pay the absentee farmers, the multimillionaire farmers, to take their land out of production. It was never intended that we subsidize that type of dude farming.

Out of every 600,000 loans which went to the wheat farmers, 554,000 were under \$5,000; 20,184 were between \$5,000 and \$10,000; 9,490 were between \$10,000 and \$25,000; and only 1,068 loans in the whole United States were over \$25,000.

When the loan figure is raised to \$100,000, as is proposed, or whether it be left at \$50,000, the numbers would diminish substantially again.

On corn, there were 283,605 loans below \$5,000; 10,842 loans between \$5,000 and \$10,000; 957 loans between \$10,000 and \$25,000; and only 104 loans in excess of \$25,000 last year.

On oats, 42,845 loans were under \$5,000; 4,800 were between \$5,000 and \$10,000; 59 loans were between \$10,000 and \$25,000; and only 10 loans in the entire United States in excess of \$25,000.

On barley, 33,185 loans were under \$5,000; 518 loans were between \$5,000 and \$10,000; 183 were between \$10,000 and \$25,000; and 66 were over \$25,000.

On sorghum, 30,753 loans were under \$5,000; 1,643 were between \$5,000 and \$10,000; 401 loans were between \$10,000 and \$25,000; and 25 loans were in excess of \$25,000.

On soybeans, 59,717 loans were under \$5,000; 746 were between \$5,000 and \$10,000; 56 loans were between \$10,000 and \$25,000; and only 5 loans were in excess of \$25,000 for soybeans.

When the figure is raised to \$50,000 or \$100,000, a substantial number of those loans would be eliminated.

Less than 2,000 farmers would be affected, even by the \$25,000 figure. Increasing the amount to \$100,000 would reduce the number by at least half.

The amendment previously adopted, which was offered by the Senator from Indiana, is an essential part of the program. It would limit the payment which any single farmer could receive under the soil bank plan to \$25,000.

As an example, there is one farmer in this country, if he can be called a farmer, who has a 340,000 wheat-acreage allotment. He would be eligible to receive a check from the United States Government in the amount of about \$3,400,000 for doing nothing but letting one-half of his farm operations stay idle.

Certainly we are not trying to take care of that family, and I am not joining the Senator from Indiana in taking care of it.

I urge the Senate to adopt both these amendments, placing some safeguards on the expenditures, thereby limiting the benefits to real farmers.

Mr. CAPEHART. Mr. President, will the Senator yield me 2 minutes?

Mr. ELLENDER. I yield 5 minutes to the Senator from Oklahoma.

Mr. CAPEHART. Mr. President, will the Senator yield 1 minute to me, so that I may answer the Senator who answered?

Mr. KERR. Mr. President, I shall vote for the Russell amendment to the Williams amendment, but when and if it is adopted, or if it is adopted, I see no alternative but to vote against the Williams amendment.

I favor the limitation of loan benefits to the farmer. I favor that, however, in connection with a program of an adequate amount of incentive to bring about the retirement of allotted acres.

As I understand, the soil bank proposal as it came to the Senate, contained a section calculated to provide incentives to bring about retirement of allotted acreage.

It embodied a provision which was unrestricted, whereby if the Secretary could not secure retirement by operators of average sized farms, he could secure very substantial retirement of acreage from big farmers.

However, by the adoption of the Jenner amendment, we have limited the Secretary to such an extent that we do not know whether he will be able to bring about the retirement of an adequate number of allotted acres. Having done that, we then fix it so that if a man wants to plant all of his allotted acres, and have enough to produce more than \$100,000 worth of products, he has no alternative except either to hold them out of production without compensation, or put them into production and dump his production on the market, regardless of price, although he may be in full compliance with the provisions of the law with reference to the allotment of acres.

As I see it, Mr. President, the Russell amendment should be adopted, but then I think the Williams amendment, as amended by the Jenner amendment, would have to be defeated, or we would

have, by our own action, made it impossible for the soil bank to work.

Mr. CAPEHART. Mr. President, the Senator from Delaware a moment ago read into the RECORD the figures which illustrate why we are now considering this question, namely, the farmers have not been complying with acreage controls. Had they complied with acreage controls, there would not have been any surpluses. There would have been high prices for the farmer. That is the reason why we are considering the pending measure. The farmers have not complied with acreage reductions, and they have grown more than they should have.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WATKINS. Why would they not be taken care of by the \$50,000 provision? According to the past history, only 104 corn farmers complied.

Mr. CAPEHART. Only 104 corn farmers who complied with acreage controls. A farmer has to comply with acreage controls before he can take advantage of the rest of the program. Corn farmers generally did not do that. Only 104 complied. That is why huge surpluses were piled up. That is why we have low prices.

Mr. WATKINS. With \$50,000 it would take in practically every farmer, and with \$100,000 there would be only 5 or 6 exceptions in the United States.

Mr. CAPEHART. Where does the Senator get his figures?

Mr. WATKINS. From the United States Department of Agriculture.

Mr. CAPEHART. Those are figures of farmers who complied with acreage controls and took advantage of support prices. Those few did. There must be hundreds and hundreds more who did not. That is why there are the huge surpluses. That is why we have low prices. That is the aspect the Senator is overlooking. The figures prove my point, because the Senator knows there are more than 104 farmers in the United States who are growing those quantities. The Senator would defeat the very thing he is trying to do, because the little farmer cannot reduce his acreage. He cannot put anything in the soil bank. He does not have enough acreage now. If acreage reductions are not obtained from the big farmers, none will be obtained. If acreage reductions are not obtained, there will be more surpluses, and there will be lower farm prices rather than higher farm prices. I think I know what I am talking about.

Mr. ELLENDER. I yield 5 minutes to the Senator from North Dakota.

Mr. YOUNG. I would not want to leave the RECORD stand as it was made by the Senator from Indiana, in which he said farmers had not complied with acreage allotments.

Mr. CAPEHART. If the Senator will yield I did not say all of them had not; some of them had not.

Mr. YOUNG. Wheat farmers and cotton farmers have complied almost 100 percent. It is the corn farmers who have not complied.

Mr. CAPEHART. That is what I was talking about.

Mr. YOUNG. I thought the Senator was talking about cotton and wheat farmers.

Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. YOUNG. I do not think a \$50,000 limitation would impose any hardship on the farmers of America. It would work this way: A farmer could take up to \$50,000 in loans. Over and above that amount he would have to sell on the open market and take what he could get for his products. If the cash market was near support levels, he would keep on producing and selling for the market, but if it was not he would curtail production. There is a great incentive now for a farmer to pick up scattered pieces of land in order to increase the size of his farm. The bigger a farm is, the cheaper is the cost of production usually is.

Anyone who has studied the proposal very carefully would have to admit that a provision of \$50,000 would impose no hardship on the average farmer of America and do no harm to the program itself. Instead, it would help make it a better farm program.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. ELLENDER. Does any other Senator desire to be heard? If no other Senator desires to speak—

Mr. RUSSELL. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from Georgia [Mr. RUSSELL] to strike out "\$50,000" and insert in lieu thereof "\$100,000."

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Delaware, as amended by the amendment of the Senator from Indiana.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ELLENDER. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. ELLENDER. I suggest the absence of a quorum.

Mr. GORE. Mr. President, I move to strike out the last paragraph of the amendment offered by the senior Senator from Delaware.

On Friday evening—may we have order, Mr. President? A point of order.

Mr. JOHNSON of Texas. Mr. President, may we have order in the Chamber, please?

Mr. WILLIAMS. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The Chair will state to the Senator from Tennessee that the amendment has been agreed to. Therefore, the amendment of the Senator from Tennessee would not be in order. If the Senator seeks

recognition, he would have to propose another amendment.

Mr. GORE. Mr. President, I move to strike the first paragraph.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. In view of the fact that the amendment offered by the Senator from Georgia [Mr. RUSSELL], dealing with one of the figures in the first paragraph, has just been voted on, would an amendment to strike out the entire paragraph be in order?

The PRESIDING OFFICER. The Chair has ruled that the amendment of the Senator from Tennessee is in order. Therefore, the Senator from Tennessee may continue.

PARLIAMENTARY PROCEDURE ON VOTE ON AIKEN AMENDMENT ON MARCH 9

Mr. JOHNSON of Texas. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Will the Senator yield to me, for the purpose of permitting me to suggest the absence of a quorum, so that the minority leader [Mr. KNOWLAND] may be notified? He desires to be present when the Senator from Tennessee makes his statement.

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from Tennessee now seek recognition?

Mr. GORE. Yes; Mr. President.

On advice of other Senators, I do not expect to use more than 5 minutes.

Mr. JOHNSON of Texas. Mr. President, I should like to have the Senator from Tennessee yield to me long enough to permit me to thank him for permitting me to suggest the absence of a quorum.

Mr. GORE. I thank the senior Senator from Texas.

Mr. President, on Friday the junior Senator from Tennessee made a point of order that after an issue had been settled, after a motion to reconsider had been laid on the table, no Senator then could change his vote upon recapitulation, nor could the Vice President then vote.

I rise today merely to advise the Senate that I, my staff, and to some extent the Parliamentarian, I am sure, have been studying the precedents over the weekend. Insofar as we can ascertain, a new situation was presented to the Senate. Within a narrow field it was an unprecedented action.

I do not rise today to attempt to reopen it. The distinguished senior Senator from California [Mr. KNOWLAND] was eminently correct in his observation that whatever rights may have been available to the junior Senator from

Tennessee or to any other Senator, expired for failure to challenge the parliamentary ruling, immediately after the ruling was made. So I rise today, not to reopen the issue or to debate its merits, but merely to advise the Senate that a new precedent was established; and that, therefore, the point of order was not idly made. Indeed, after examining the precedents in the other body, where the Speaker by custom many times votes only to untie an issue, we find that it is new there, too. I am not now undertaking, as I have said, to reopen the issue or to debate its merits or demerits, but I rise merely to advise the Senate that an unprecedented situation then faced the Senate.

Mr. BARKLEY. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. BARKLEY. Did I correctly understand the Senator from Tennessee to say that in the House, the Speaker can vote to untie a tie vote?

Mr. GORE. By precedent and custom, that is generally the only time when the Speaker does vote.

Mr. BARKLEY. That is true. But if he had voted on a ye-a-and-nay vote, which he has a right to do, being a Member of the House, he could not thereafter vote to untie a tie vote in which he had participated.

Mr. GORE. That is correct.

Mr. President, the situation before the Senate is this: If there is a parliamentary procedure by which an issue is closed, it is the making of a motion to reconsider, and then the laying of that motion on the table. Indeed, in this particular case the author of the amendment, the senior Senator from Vermont [Mr. AIKEN], moved to reconsider. The distinguished minority leader [Mr. KNOWLAND] moved to lay that motion on the table. The motion to lay on the table the motion to reconsider was agreed to. That is as final an act as the Senate can take to close and dispose of an issue. It operates with such finality that the issue can then be reconsidered only in two ways: first, by unanimous consent; second, by a motion to suspend the rule, which motion, if it to carry requires the favorable votes of two-thirds of the Senator present and voting.

I am prepared to concede that the moral suasion presented so eloquently and forcefully by the senior Senator from California [Mr. KNOWLAND] was strong. Certainly the Vice President should have been allowed to untie the issue. But the proper way to have done it, according to the parliamentary rules, was to reconsider the issue. Procedure by which to do that was open to the Senate. That procedure, in the opinion of the junior Senator from Tennessee, was not taken. For that reason, the junior Senator from Tennessee raised a point of order—not to deny the Vice President the right to vote, but to deny him the right to vote unless and until the parliamentary rules governing the procedure in the Senate were followed.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Is the junior Senator from Tennessee aware of the fact that the error which occurred at the desk was not determined until the ye-a-and-nay vote on the motion to lay on the table the motion to reconsider was well under way?

Mr. GORE. Yes.

Mr. JOHNSON of Texas. I merely wanted to ask the Senator whether he was aware of that fact.

Mr. GORE. Yes. I think that adds strength to the moral position taken by the senior Senator from California. However, conflicting parliamentary interpretations and views were rendered by the Chair at that time. I recognize fully what the distinguished Senator from Texas has said.

Mr. KNOWLAND. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. KNOWLAND. Mr. President, I do not intend to delay the Senate, but I do not want the statements made by the Senator from Tennessee to stand unchallenged.

In the first place, I desire to call the attention of the Senate again to the debate which occurred in connection with this matter, as it appears in the CONGRESSIONAL RECORD of March 9, 1956, commencing at page 3913. The parliamentary situation which was presented the other evening—as Senators who then were present will recall—was that on the vote on the so-called Aiken amendment, the Vice President, who was then presiding, was misinformed as to the result, and announced it as 46 yeas to 45 nays.

The customary motion to reconsider was made by the Senator from Vermont, and I made the motion to lay that motion on the table. That motion was carried by a vote of 46 to 41. It was subsequent to that time that the colloquy and discussion to which I have referred took place.

As was pointed out the other evening, the Vice President was in the chair and presiding during this whole time. He has a constitutional right to break a tie. He has an opportunity to vote only when there is a tie. Had the vote been the other way, and had the amendment offered by the Senator from Vermont been lost 46 to 45, obviously the Vice President would not have been able to vote. He was not able to vote on the basis of the announcement from the clerk that the motion had carried 46 to 45. It was only when the recapitulation took place and when it was determined that the vote was a tie, that the Vice President, under the Constitution, had the right to cast his vote.

As the minority leader stated the other night, the Senate having gone through the process of a vote, and announcement having been made based upon misinformation given to the Chair that the amendment offered by the Senator from Vermont had carried, and we having won a second victory—if the first announcement had been correct—by the motion to lay on the table, which car-

ried by an even larger margin, at that time the distinguished majority leader rose and indicated that he understood there was some discrepancy, because one of the clerks had got one total and another a different total, and asked that there be a recapitulation.

Some discussion took place at that point, but before the question was finally decided the minority leader raised the question as to whether or not we would then be confronted with the same parliamentary situation which would have been presented had the correct total been given to the Chair. It was made very clear that at that point the Vice President would be able to vote.

It was only upon this parliamentary ruling that the minority leader then asked that Members on this side of the aisle join in the request of the majority leader that there be a recapitulation. Of course, the RECORD is very clear in that regard.

It is now the contention of the minority leader—and it was his contention at that time—that when that unanimous consent was given, when the parliamentary ruling was requested of the Chair, and when that ruling was not challenged by any Member, and when the Senate, in its wisdom, gave its unanimous consent, at that point it had the effect of rolling back the legislative process to what it would have been at the time the vote was announced, had it been correctly announced at that point. I believe that view is sustained by the fact that when this entire operation was concluded the minority leader then asked unanimous consent that the previous vote, by which the motion of the Senator from Vermont was laid upon the table, should be considered, without the necessity of having to make that motion all over again.

Some mention has been made of the precedents in the House. For the information of the Senate, I should like to read into the RECORD at this point two precedents which I think have some interest in this connection.

Hind's Precedents of the House of Representatives, section 5969, volume 5:

The Speaker has voted when a correction on the day after the rollcall has created a condition wherein his vote would be decisive.

Where a Member votes and the Journal fails to include his name among the yeas and nays, he may demand a correction as a matter of right before the approval of the Journal.

On December 4, 1876, the House, by a vote of 156 yeas to 78 nays—exactly the two-thirds vote required—suspended the rules and passed a resolution presented by Mr. Abram S. Hewitt, of New York, providing for special committees to investigate the recent presidential election in Louisiana, Florida, and South Carolina.

On the following day, December 5, Mr. Nathaniel P. Banks, of Massachusetts, moved that the Journal and RECORD be corrected so as to include the name of Mr. Harris M. Plaisted, of Maine, in the negative on the adoption of the resolution submitted the previous day by Mr. Abram S. Hewitt.

The Speaker decided that it was the right of the gentleman from Maine to have his vote recorded upon the said resolution upon the statement made by Mr. Plaisted that he did vote in the negative when his name was called.

Mr. Benoni S. Fuller, of Indiana, asked that the Journal and RECORD might be further corrected so as to show that he voted in the affirmative upon the aforesaid resolution, stating that he was present and so voted when his name was called.

The Speaker decided, as in the case of Mr. Plaisted, that the gentleman from Indiana was entitled to have his name recorded.

And therefore the names of Mr. Plaisted and Mr. Fuller were recorded, the first in the negative and the last-named Member in the affirmative, upon the adoption of the aforesaid resolution.

After the two votes had been recorded the Speaker said:

"The vote on the resolution offered by the gentleman from New York, Mr. Hewitt, as announced, was, yeas 156, noes 78. There seems to have been an omission on each side. The votes omitted, if correctly recorded, would have made the vote 157 to 79. The Speaker was ready on yesterday to have voted, as was his constitutional right, if his vote would have produced a result either way; and if the Journal had shown the vote to be 157 to 79 he would have voted in the affirmative, still making the two-thirds. * * * The Chair must insist upon his right to vote in the case that his vote would produce a result. * * * The Chair, then, exercises that right, and asks that his vote may be recorded in the affirmative."

The other House precedent is, from Hind's Precedents of the House of Representatives, section 5970:

In case of error, whereof the correction leaves decisive effect to the Speaker's vote, he may exercise his right even though the result has been announced.

The Speaker's name is not on the voting roll and is not ordinarily called.

On July 19, 1882, during the consideration of the contested election case of *Smalls v. Tillman*, the question was taken on the resolution declaring that Tillman was not elected, etc., and the announcement was made that there were yeas 145, nays 1, not voting 145.

The vote was next taken on the resolution declaring that Smalls was elected, etc., and there were yeas 140, nays 5, not voting 145. The Speaker thereupon voted, making yeas 141, nays 6, a total of 146—just a quorum.

The Speaker thereupon announced that on the vote preceding the last there had been an error in the tabulation and that in reality the result on the resolution declaring Tillman not elected had been yeas 144, nays 1, a total of 145—1 less than a quorum.

The Speaker declared that he would vote, and did so, making the result 145 yeas and 1 nay—a quorum voting.

Mr. Gibson Atherton, of Ohio, made the point of order that the Speaker might not vote in such a manner.

After debate, the Speaker (Samuel J. Randall, of Pennsylvania) cited precedents in 1803, 1849 to show that such a vote was proper. He further said:

"It has never been the rule or practice for the Speaker's name to be called in the regular rollcall, and therefore the Speaker does not respond to the rollcall as other Members do, nor does he come within the provision of the rule which is applicable to other Members whose names are upon the roll."

Therefore the Speaker held that, while a Member might not have his vote recorded after the conclusion of the rollcall, the Speaker might.

On the following day a resolution providing for an examination of this act of the Speaker was introduced and debated, but subsequently withdrawn after a full discussion of the matter.

Of course, the distinguished Senator from Kentucky [Mr. BARKLEY] is emi-

nently correct when he says that the Speaker has a right, as a Member of the House, to vote upon any issue. However, customarily his name does not appear on the roll call, and apparently the custom in that body is for him not to cast his vote. The precedents I have cited indicate, however, that when errors had been found in the House, though he had passed his right so to speak, he did exercise it. The difference between the two presiding officers is that under the Constitution the Vice President has a right to vote only in case of a tie. Unless the vote is correctly announced as a tie, of course, he has no right to vote under the Constitution.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. GORE. Over the weekend I have had an opportunity to examine both the precedents which the distinguished senior Senator from California cites, and other precedents. In neither of the precedents which he has cited is there involved the question of reopening an issue on which a motion to reconsider had been laid upon the table. It is that particular element which has not been, so far as I am able to find, or my staff has been able to find, before either the House or the Senate.

If the Senator from California will indulge me further, I should like to say it is true that the Vice President has a constitutional right to untie a vote in the Senate. Likewise, every Senator has a constitutional right to vote on any issue before the Senate. However, both a Senator and the Vice President must exercise their constitutional right of voting at such time and under such circumstances as that opportunity is available.

Mr. KNOWLAND. The vast difference is that a Member of the Senate has his opportunity and right and privilege and obligation to vote when the roll is called. The Vice President never gets his right to vote until the vote of the Senate has been tabulated, to determine whether it is a tie vote. It is only when it has been determined that it is a tie vote that the Vice President is able to exercise his constitutional responsibilities.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. GORE. The question comes down to the ability of the Senate to close an issue before the Senate, and then abide by the rules to reopen that issue. The opportunity was available to the Senate in two ways. Indeed, the Senator from Tennessee submitted a unanimous-consent request that the vote be reconsidered in order to preserve orderly procedure in the Senate and to afford the Vice President the right to vote. That consent was objected to. I do not wish to go further into the argument, but merely to say that, rightly or wrongly, a precedent was set in the Senate.

Mr. KNOWLAND. For the benefit of the Members of the Senate who were not present on Friday at the time this matter came up I should like to read from the RECORD of March 9, at page 3914, from the first column:

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. I do not know what the recapitulation will show; but if the recapitulation shall show a tie vote, will the parliamentary situation then be as it would have been at that point if a tie vote had been announced?

The VICE PRESIDENT. That is correct; and the Vice President then would have one of those rare opportunities to break a tie.

Mr. President, it seems to me that that is a compelling factor in this situation. The facts were known to the Members of the Senate. Unanimous consent had been given. It was only after the several discussions had taken place on the floor of the Senate, and when Senators, understanding the situation, had had the facts presented to them, that unanimous consent was finally given. To that extent I believe that that had the legislative effect of rolling back the process to the point where it would have been had the correct announcement been given to the Chair by the clerk at the desk.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. GORE. The Senator's argument is persuasive. However, it must stand alongside of two other parliamentary rulings, or the giving of parliamentary advice. Neither the statement which the Senator has read nor the two statements which the junior Senator from Tennessee proposes to read are rulings which conclude or settle the issue. They constitute parliamentary advice by the Presiding Officer. What the Senator has read must be measured alongside of this statement:

The VICE PRESIDENT. The Chair understands the Senator from Texas is, in effect, asking that the Senate return to the vote on the Aiken amendment in order to have a recapitulation of that vote. The recapitulation, once it has been announced, will be, in effect, the vote which will be recorded in the records of the Senate.

Continuing, a little later in the RECORD:

The VICE PRESIDENT. The Chair also wishes to make another parliamentary ruling, that once the recapitulation has been made, no Senator may change his vote. The recapitulation will stand as it is.

I respectfully say that all three rulings must be taken together, but that neither of them constitutes positive action, such as is involved in laying upon the table a motion to reconsider.

Mr. KNOWLAND. Mr. President, where I believe the Senator from Tennessee falls into error in this situation—if I may be pardoned to say this most respectfully—is that had the Vice President not been in the chair and presiding, or had been out of town, for example, a tie vote would have lost the amendment under the rules of the Senate. Therefore, if that had occurred, and the Vice President had not been present, the distinguished Senator from Vermont [Mr. AIKEN] would not have had the privilege of making a motion to reconsider and I would not have had the privilege of making a motion to lay his motion on the table, because to do so a Senator must have voted with the prevailing side.

In that case the prevailing side would have been the side of the opponents of the amendment, because we would have lost the vote, instead of having won it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. GORE. In that event, even though the Vice President may have returned 2 days or a week later, if the issue was still unresolved before the Senate, he could have then voted. However, the Senate proceeded, not according to the set of circumstances which the able Senator from California has described, but proceeded to lay upon the table, by motion of the senior Senator from California, a motion to reconsider, thereby, so far as the parliamentary procedure available to the Senate was concerned, closing the door on that issue. There were two ways to reopen it, but neither way was used.

Mr. KNOWLAND. Mr. President, I respectfully differ. One way was used, and that was by unanimous consent given by the Senate to roll back the legislative process to that point. I think that was understood by all Senators.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield first to the Senator from Connecticut.

Mr. BUSH. There is one point which I believe should be noted in the RECORD. I tried to get it into the RECORD the other night when the debate was underway. I should say that it was a very interesting debate indeed. The purpose of the rules of the Senate, it seems to me, as well as of the precedents of the Senate, is to bring out what the true sense of the Senate is in connection with any vote.

It seems perfectly clear from the RECORD, by virtue of the remarks of the majority leader, the remarks of the minority leader, and the remarks of the Vice President, on pages 3913 and 3914, that the whole purpose of the recapitulation was to find out what the true sense of the Senate was at that time. That was the purpose of the recapitulation.

If our good friend the distinguished Senator from Tennessee had had his way when he raised his point of order, then indeed the true sense of the Senate could not have been had, because the Vice President would have been deprived of his vote. I believe the RECORD should show that the right of the Senator from Tennessee to raise that point of order would have been after the announcement of the Vice President:

The VICE PRESIDENT. That is correct; and the Vice President then would have one of those rare opportunities to break a tie.

If that parliamentary point was to have been raised, that was the time it should have been raised. Otherwise the purpose of raising it would only have been to defeat the opportunity to find out what the sense of the Senate was.

Mr. KNOWLAND. I agree. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, as one who has always been interested

in parliamentary procedure and has studied the subject for a great many years, I think I was prouder last Friday night to be a Member of this body than I had ever been previously. I think the majority leader, the minority leader, and the Vice President, following parliamentary practice, acted quickly, accurately, and honorably to bring out the true result of the vote for the benefit of all the people of the United States.

As the Senator from Connecticut has said, parliamentary rules and precedents are built up as a result of deliberations of this body, conducted as accurately, as factually, and as honorably as they can be conducted. Parliamentary rules are based greatly on the honor of the Members of this body correctly following the procedures laid down in parliamentary practice over the years.

Mr. President, as soon as the error on Friday evening was discovered, the majority leader brought the matter to the attention of the Vice President and of the minority leader, and those men acted as honorable leaders of this body. Every Member of the Senate was put on his honor and lived up to that obligation by not trying to take any advantage of the extraordinary parliamentary procedure that came about because of a factual error in connection with a very close vote.

If we are going to carry forward the debates in this body and get the desired results, we could not do so on a more honorable basis or on a higher plane than was done on last Friday night. I told the majority leader, and I think I told the minority leader, that I was proud of their quick thinking and of the honorable way in which they acted.

The Senator from Tennessee, who brought this situation up, is an honorable man. He did not try to break a unanimous-consent request to get a correct record at that time.

The facts are perfectly simple and fundamental. As the minority leader has said, the Vice President cannot vote unless there is a tie, and he knows there is a tie.

Obviously, he would have voted as he did vote last Friday night after he knew there was a tie. There was a recapitulation, and on the recapitulation no Member of the Senate tried to take advantage of the fact that he could change his vote. So there was a tie vote and the Vice President voted. We all acted honorably, and the result was as has been brought out, and the whole country knows it today.

As I have said, Mr. President, I was proud to be a Member of the Senate on last Friday night when the matter suddenly came to the front. I was proud of the way in which it was handled on both sides of the aisle and by the Presiding Officer, the Vice President, on the advice of the Parliamentarian. I think we can be very well satisfied, on whichever side we are, that the true result was brought out by the final vote.

Mr. LONG. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. LONG. Mr. President, we may be setting a precedent here. If so, I think it is a very good one. The situation was such that the majority had voted "Yea." The minority leader was with the prevailing side. The result was announced. There was a motion to reconsider and a motion to lay on the table the motion to reconsider. The motion to lay on the table had carried.

Thereafter, a unanimous-consent request was made to recapitulate the vote. The minority leader agreed to that. It required unanimous consent to recapitulate. When the recapitulation was made it was found that the original vote was a tie, in which event the Vice President would have had the right to vote and break the tie. If anyone had urged at that time that the Vice President did not have a right to break the tie, the unanimous-consent request might well have been objected to unless the right of the Vice President had been protected. When Senators gave unanimous consent to recapitulate, they certainly did not intend to foreclose the Vice President from voting.

I think we have a correct ruling.

Mr. KNOWLAND. Mr. President, of course at that time one of three things could have been done: Either that the announcement originally made was correct and that the motion had been agreed to by a vote of 46 to 45, or that it had been defeated 46 to 45, or that it was a tie vote. A motion for reconsideration would have been made just as I felt when the vote was originally made and it turned out the way it did, it was therefore again necessary to make a motion to reconsider which I did by unanimous consent, rather than taking another rollcall.

Mr. LONG. It seemed to me that no one had any idea of taking advantage of the situation. The minority leader was eminently correct.

Mr. CHAVEZ. Mr. President will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. CHAVEZ. Mr. President, I thank the Senator for his indulgence. I know it is very interesting to discuss precedents of the Senate and rules of the Senate. We have to have them. But, at the moment, Mr. President the cotton grower is getting ready to plant his cotton, and instead of worrying about the planter of cotton we are worrying about what precedent was established last week. Why can we not get busy? The cotton farmers will not know, until we pass this bill, what to expect this year. I think it is important, too.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. President, I was eating my dinner when on Friday night last this question arose.

I hope the Senator from Georgia will remain in the Chamber.

Mr. RUSSELL. I am honored. I shall remain in the Chamber.

Mr. BARKLEY. If I had been present at the time the question arose I would have participated in the discussion.

It seems to me there is one fundamental thing which we must keep in mind, namely, the constitutional right

of the Vice President to vote in case of a tie. If he is against the proposal which is before the Senate, on a tie vote he would not have to vote, because it would not change the result. A tie vote defeats a proposition. Unless he wanted to be recorded on the question he would not vote. The only effective vote of the Vice President is an affirmative vote.

I doubt very much, Mr. President, whether the Vice President can be deprived of that right by anything that happens based upon an error in tallying a rollcall of the Senate.

As the Senator from California has indicated, the Vice President does not keep a tally of the votes. He can know there is a tie only when he is told so by the tally clerks, who rarely make a mistake. They are amazingly accurate. I remember John Crockett would take a roll call and run his pencil up one side and down the other and come up with the result. The tally clerks are accurate, although they can make a mistake. If they make a mistake, of course, it is an honest mistake. If it turns out that it is not an accurate record, if a mistake is later discovered, it cannot deprive the Vice President of his constitutional right to vote in case of a tie.

Therefore, I think the Vice President had a right to vote. I am not sure that it required a unanimous-consent agreement to vacate the vote on the motion to reconsider in order that the Vice President could cast his vote, because if the vote had been 46 to 45 the other way, and the motion had been made by those who were in the minority but who would have been in the majority if the motion had carried, he would be deprived of his right to cast his vote if the proper rollcall result had been reported. I think there is no question that the Vice President had the right to vote.

The situation in the House of Representatives is different. The Speaker cannot untie a tie vote as Speaker. He has a fundamental right to vote as a Member of the House. By custom, the Speaker's name is not called, but he can always order that his name be called in order that he may exercise his vote as a Member of the House. But when he asks that his name be called, he is asking it as a Member of the House, which he has the right to do.

I have asked the Senator from Georgia [Mr. RUSSELL] to remain in the Chamber for a moment, because I recall that when I was the majority leader a good many years ago, and the Senator from Oregon, Mr. McNary, was the minority leader, there had been a yea-and-nay vote on which the Senator from Georgia voted, and after voting, but before recapitulation, had left the Chamber.

The next day, when the result of that vote was on our desks, it showed that the Senator from Georgia had not even voted. His name was not on the rollcall. I am not certain of this, but I think his vote would have decided the result.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. RUSSELL. The Senator is quite correct in all that he has stated. As a

matter of fact, the bill was lost on a tie vote. As I recall, the vote was 38 to 38, although I am not certain of the figures.

The Senator from Kentucky will recall that every effort was made to find the then Vice President of the United States, Mr. Henry Wallace, in order to break the tie. The Vice President could not be located, and the bill was lost on a tie vote.

Upon reading the newspaper that evening, in which the vote was recorded, as the newspapers used to do quite regularly, the result of the vote was shown as 38 to 38. I happened to notice that my name was not listed.

The next morning I came to the Chamber early and consulted with the majority leader, with the Parliamentarian, and other persons. A resolution was prepared to vacate the entire proceedings and to amend the Journal, so as to make it reflect the truth that the bill had been passed by a majority of one vote, whatever the vote was.

I apprehended that a very violent debate might take place on the resolution; but as soon as the resolution was offered, the then minority leader, Mr. McNary, rose in his place and said that he had heard the Senator from Georgia vote, and knew how I had voted. He chided me, as I recall, because, as he claimed, I did not vote quite loud enough as a general proposition, and he thought also that I should have stayed in the Chamber during the recapitulation. But he admitted the facts as set forth in the resolution, and by unanimous consent the resolution to correct the Journal and make it show that the bill had passed was agreed to.

Mr. BARKLEY. I thank the Senator from Georgia for confirming my recollection of the incident. The action was taken by offering a resolution to correct the Journal and the Record and to enable the Senator from Georgia to vote.

Mr. RUSSELL. To make the Journal show the truth as to how I had voted.

Mr. BARKLEY. That is correct, even though the Senate had adjourned overnight and had come back the next day and discovered its error.

The point I wish to make is that the Senate cannot, under any circumstances, condone an error in a yea-and-nay vote, because it is the fundamental right of every Senator to vote and to be recorded as to how he votes. Therefore, I doubt very much that unanimous consent was necessary or was required in order to vacate the record of the vote, and to show that the Senator from Georgia voted and how he voted. As the Senator from Georgia said, the Senator from Oregon, Mr. McNary, rose and said he remembered that the Senator from Georgia had voted, and recalled how he had voted.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GORE. I have read the precedent concerning the distinguished junior Senator from Georgia. It involved almost precisely the procedure which the junior Senator from Tennessee requested Friday evening, to wit, unanimous consent that the vote be reconsidered.

I agree with the distinguished junior Senator from Kentucky, that the Con-

stitution—and I have read it a few times—is explicit that the Vice President has a right to vote in case of a tie. But does the Senator from Kentucky think the Constitution is any more explicit as to the right of the Vice President to vote than it is as to the right of a Senator to vote?

Mr. BARKLEY. No; except that the Constitution prescribes the only way in which the Vice President can vote; while a Senator can vote under any conditions in the Senate.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. RUSSELL. To my mind, there is a great deal of difference between the right of the Vice President to vote in this body and the right of a Senator to vote. It is often said that the Senate can do anything by unanimous consent.

Mr. BARKLEY. That remark was made by a former Vice President, who is still living in Texas and is healthy at the age of 87.

Mr. RUSSELL. We know that, practically speaking, his statement is correct; because when a Senator acquiesces in unanimous consent, he waives his right. But I do not believe the Senate, even by unanimous consent, can deprive the Vice President of his right to vote. The Constitution says that the Vice President can vote in case of a tie. That is the only part he can take in the proceedings of the Senate.

If a Senator were to ask unanimous consent that the Vice President not be permitted to vote, the Vice President would have no right to object; but by that fact he could not be denied his constitutional right to vote.

Mr. BARKLEY. I agree with the Senator from Georgia about that.

Mr. RUSSELL. There is a great deal of difference between the right of a Senator to vote and depriving the Vice President of his constitutional right to vote in the one instance in which he may vote.

Mr. BARKLEY. Suppose that last Friday night, for instance, unanimous consent had been given with reference to the vote on the motion to reconsider. Was the Vice President to be denied his constitutional right to vote because some Senator objected to unanimous consent to vacate the vote or to change something in the RECORD? I do not think so, because the Vice President's right to vote is a constitutional, fundamental right.

If last Friday night the Senator from Tennessee, or any other Senator, had objected to unanimous consent, and it had been withheld, so that the vote on the motion to reconsider had stood, although the result might have been the reverse, which could happen at any time, based upon a falsity, an inaccurate record, or a mistake, do Senators mean to tell me that the right of the Vice President to vote, given him under the Constitution, whether the error had been discovered that afternoon or the next day, was to be denied, because some Senator rose and objected to unanimous consent to vacate the vote, or because some other proceeding had taken place since the original vote, which was a tie vote? I do not think so.

It may be that this is the first time this particular situation has arisen in this way in the history of the Senate.

I was prompted to make these remarks merely because we must be guided in the future by what happens today in the interpretation in this case, if a similar situation should again arise.

I shall lay down the fundamental principle as I believe it to be, that the Vice President of the United States cannot, either by indifference of the Senate, mistake of the Senate, or refusal by the Senate to grant unanimous consent to bring a proceeding back to the position in which it would have been before a tie vote had been announced, deprive the Vice President of his constitutional right to vote—because legislation may turn on such action, and frequently does.

Mr. BUSH. Or even an adverse vote of the Senate could not deprive him of the right to vote.

Mr. BARKLEY. I do not think it could.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CASE of South Dakota. I wish to express my personal appreciation to the distinguished Senator from Kentucky for the observations he has made. I had the feeling a little earlier that possibly this precedent might be left to rest upon a matter of courtesy or upon a matter of the granting or withholding of unanimous consent which, while sound in this case due to the foresighted question by the distinguished minority leader, Mr. KNOWLAND, might not always be in evidence.

Personally, I agree entirely with the point of view so ably expressed by the Senator from Kentucky, who is a distinguished former Vice President of this body, that the constitutional right of the Vice President to vote in case of a tie comes into operation at the moment the tie vote is determined and that no rule of the Senate and no agreement can destroy it if he is present then to exercise it.

I should like to make this further observation: During the time I was a Member of the House of Representatives, I took a great deal of interest in the rules of that body. I recall that recapitulations were not entirely uncommon. But a recapitulation was never an idle thing. That is, a recapitulation was not made simply for the purpose of having the names read over again; a recapitulation was made for the purpose of determining whether a vote had been accurately recorded and accurately reported.

If a recapitulation showed that an error had been made, then an opportunity was given to correct the error, whether the error was an error in the addition of the votes cast or an error in a failure to record a vote which had been actually cast.

As has been pointed out, the Speaker of the House of Representatives is a duly elected Member of that body and may vote on any question if he so desires. His name is not called customarily, but only when he so requests.

Flowing from that fact, the Speaker of the House also enjoys one right which the Vice President does not have in the

Senate. The Speaker may make a tie vote as well as break one. That is, if the yeas are ahead one vote, the Speaker may ask that his name be called and then vote in the negative to create the tie that loses the question. The Vice President, as we know, votes only when the vote is already tied.

That right of the Speaker to cast his vote would, I feel sure, be upheld if a recapitulation showed an error, which when discovered created a situation where the Speaker's vote could affect the result.

I have not taken the occasion to examine the precedents, but I am sure the precedents would show that when a recapitulation was made, if a Member was on the floor and actually voted, but his vote failed to be recorded, he would be accorded the opportunity to have his vote recorded, so that the error could be corrected, and the proper record and proper addition made.

In the matter presently before the Senate, the recapitulation, again, was not an idle thing. If there had been any Senator who had voted on Friday night, but whose vote failed to show in the recapitulation, the recapitulation would have let the Senator have his vote recorded, although he could not have changed his vote; and a Senator who had not voted, would not have been accorded the privilege of voting. But any Senator who had voted, and whose vote was either wrongly recorded or not recorded at all, could have had his vote recorded as he originally voted.

That was why in the discussion Friday night I posed the question to the Senator from Tennessee asking if he had voted, and his vote had not been properly recorded, if the recapitulation would not have given him the opportunity to have had it recorded and the addition for the total corrected. He agreed that was correct but disagreed with my conclusion that the establishment of a tie created the opportunity for the Vice President to vote. On that, I submit that condition for which the Constitution prescribes could not have been known to the Senate in the absence of the recapitulation which demonstrated the tie vote. Therefore, I was very happy to hear the former Vice President, the distinguished Senator from Kentucky, point out the constitutional questions involved. I think he was eminently correct. I think the present Vice President ruled correctly when he responded to the inquiry of the distinguished minority leader that if a tie vote was shown, he would have an opportunity of voting. That right would have existed, in my humble opinion, regardless of any unanimous consent to vacate the proceedings of reconsideration.

In the long years ahead for which we all hope this Senate may serve, it is well and good that this precedent should have had the mature opinion of the Senator from Kentucky, coming as it does from one who is of a political party other than that of the present Vice President. He has added to the rich heritages of this body.

Mr. BARKLEY. I thank the Senator from South Dakota. I wish to make

just a brief observation, because I am anxious that the cotton farmers get their plantings in before sundown as is any other Senator.

Recapitulation of a vote has two purposes. One is to make certain that every Senator is recorded as voting as he actually voted. Then there is the collective right of the Senate to see that the vote is accurate, in order to ascertain whether the vote on an amendment or other proposition has been carried or lost.

My position is that whenever a situation is discovered which, if discovered in time, would have given the Vice President the right to vote, then he has the right to vote *nunc pro tunc*. We lawyers know what that means—now as then. He has a right to vote regardless of what happened in the meantime.

I did not intend to say as much as I have, but since I received such a nice compliment from the Senator from South Dakota I thought I would say it.

Mr. GORE. Mr. President, I yield myself 3 minutes.

The distinguished Senator from Georgia observed that in his opinion the Senate could not deprive the Vice President of a vote even by the granting of unanimous consent, which constitutes a unanimous action. I suggest the Senate could not deprive a Senator of a vote by similar action. I must respectfully resist any interpretation of the Constitution that confers upon the Vice President a more positive right to vote in this body than that which is conferred upon a Member of this body. Both rights must be exercised at such time and under such circumstances as they may be available. Whether the precedent established is sound or unsound, the precedent is established. I accept it.

I rose to advise the Senate that the point of order was not made lightly, or maliciously, or with political intent. Insofar as the precedents as of that hour were concerned, the point of order was, in the opinion of the junior Senator from Tennessee, a valid point of order. Now that the ruling has been made and the precedent established, I wish to say that I shall therefore accept the precedent; but I do feel grateful that it has provoked an examination of the rules and precedents of the Senate.

I should like to conclude with this one observation, and I should particularly like to have the attention of the distinguished majority leader and the distinguished minority leader I find that there is no printed volume of the precedents of the United States Senate. One must go to the Parliamentarian's office and turn through the files. Surely, so august a body as this, the greatest deliberative body on earth, as I believe it is, should hasten to have printed, in bound volume form, with indexes and annotations, the precedents of the Senate.

Mr. CASE of South Dakota. Mr. President, if the Senator will yield, I should like to say I learned the other day that such a volume is in process of preparation. I think the point made by the Senator is an excellent one. I happened to be sitting in the chair of the Presiding Officer the other evening when a question arose, and the Parliamentarian at that

time showed me pages of a volume on which they are working.

Mr. GORE. That is fine.

Mr. JOHNSON of Texas. I should like to say to my delightful friend from Tennessee the Senate already has acted on a resolution authorizing the printing of the precedents. Last week the majority leader, with the concurrence of the minority leader, took steps to authorize the Parliamentarian to proceed with the preparation of an index of those precedents.

Mr. MALONE. Mr. President, almost at the end of the debate on last Friday, March 9, on the parliamentary question which is being discussed, I asked the Senator from Tennessee to yield. He did yield to me, and I then said:

I have listened very carefully to this debate. I think it is very important, and probably will be a precedent. But are we setting a precedent that any time the clerk may make a mistake in reporting a vote he can, by that mistake, unless there is a unanimous-consent agreement, deprive the Vice President of his right to break a tie?

Mr. JOHNSON of Texas. That would be the effect of it.

Mr. MALONE. Let us not do that.

I still say there should be a little horse sense in the Senate of the United States.

Mr. GORE. Mr. President, I yield back the remainder of my time, and I withdraw my amendment.

SEVERAL SENATORS. Vote! Vote!

The VICE PRESIDENT. Before the vote is taken, the Chair, for the purpose of the RECORD, should like to be permitted to make an observation with regard to the discussion which has just taken place.

The distinguished Senator from Kentucky [Mr. BARKLEY] has very well stated the rules of the Senate, as he interprets them, with regard to the rights of the Vice President under the Constitution. When the rulings were made on last Friday, the rulings, as all Members of this body who sit in this chair from time to time may know, were made on the advice of the Parliamentarian. The Parliamentarian, of course, advises on the basis of precedents. It seems to the Chair most interesting and appropriate that the rulings which were made on Friday by the present occupant of this chair were based on precedents which were reasserted by the distinguished Senator from Kentucky.

There were two basic rulings: First, that on recapitulation no Senator may change his vote; and, second, that on recapitulation the Vice President has the right to vote.

If we read from the RECORD the proceedings on a precedent previously referred to, the reconsideration of the Thomas amendment, I think we can see how the Senator from Kentucky, who was then Vice President of the United States, had ruled on that occasion and the reasons for the Parliamentarian's advising the Chair to rule as he did on this occasion. The Chair reads only two brief portions—page 12931, CONGRESSIONAL RECORD, September 15, 1949:

Mr. MCCARTHY. Do I correctly understand the Chair's ruling on the recapitulation of the vote on the oil amendment to be that the recapitulation would consist merely of

accurately counting the vote and announcing the result, and that Senators who were not present at the time of the vote or Senators who did not vote at that time could not vote on the recapitulation?

The VICE PRESIDENT. That is correct. The recapitulation is merely for the purpose of seeing whether any Senator has been recorded incorrectly on the rollcall—not for the purpose of giving Senators a right to change their vote or other Senators an opportunity to vote.

And then, further on:

Mr. MCCARTHY. Do I correctly understand that the position of the President of the Senate is that even though business has transpired since the vote was had on the motion to reconsider the vote on the fur amendment, and even though another vote has been taken since then, the President of the Senate could now go back and cast his vote on the motion to reconsider? Is that the ruling of the Chair?

The VICE PRESIDENT. If the vote on the motion to reconsider were recapitulated so as to create a situation which would give the Vice President a right to vote—as would have been the case if the result had been correctly announced—the Chair feels that he would not be deprived of the right to vote by reason of those circumstances.

Those were the precedents upon which the rulings on Friday were made; and the Chair feels that having the matter spelled out, as it has been, very persuasively and articulately today in the course of this discussion will aid in seeing to it that the precedents in connection with this matter are better understood.

The question now is on agreeing to the amendment of the Senator from Tennessee [Mr. GORE]. Does the Senator from Tennessee withdraw his amendment?

Mr. GORE. I do.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McClellan
Allott	George	McNamara
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Saltonstall
Carlson	Jenner	Schoeppel
Case, N. J.	Johnson, Tex.	Scott
Case, S. Dak.	Johnston, S. C.	Smathers
Chavez	Kennedy	Smith, Maine
Clements	Kerr	Smith, N. J.
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young
Frear	McCarthy	

The VICE PRESIDENT. A quorum is present.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. What is the pending question?

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS], as amended.

On this question, the yeas and nays have been ordered; and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] and the Senator from New Hampshire [Mr. COTTON] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. COTTON] would vote "yea."

The result was announced—yeas 78, nays 11, as follows:

YEAS—78

Aiken	Frear	Monroney
Allott	George	Morse
Barkley	Goldwater	Mundt
Barrett	Gore	Murray
Beall	Green	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Hruska	Payne
Bridges	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Saltonstall
Byrd	Jenner	Schoeppel
Carlson	Johnson, Tex.	Scott
Case, N. J.	Johnston, S. C.	Smathers
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kuchel	Smith, N. J.
Clements	Langer	Sparkman
Curtis	Lehman	Symington
Daniel	Magnuson	Thurmond
Dirksen	Malone	Thye
Douglas	Mansfield	Watkins
Duff	Martin, Iowa	Welker
Dworshak	Martin, Pa.	Wiley
Ervin	McCarthy	Williams
Flanders	McNamara	Young

NAYS—11

Anderson	Hayden	Long
Eastland	Holland	McClellan
Ellender	Kerr	Stennis
Fulbright	Knowland	

NOT VOTING—6

Capehart	Kefauver	Robertson
Cotton	Millikin	Russell

So Mr. WILLIAMS' amendment, as amended, was agreed to.

Mr. CARLSON. Mr. President, on behalf of the senior Senator from Oregon [Mr. MORSE], the senior Senator from Washington [Mr. MAGNUSON], the Senator from South Dakota [Mr. CASE], the Senator from Nebraska [Mr. CURTIS], the junior Senator from Washington [Mr. JACKSON], the junior Senator from Oregon [Mr. NEUBERGER], the Senator from Michigan [Mr. McNAMARA], and myself, I offer the amendment which I send to the desk and ask to have stated. It is designated "2-24-56-B."

The PRESIDING OFFICER. Does the Senator desire to have the entire amendment read, or does he ask that it be

printed in the RECORD without reading?

Mr. CARLSON. Mr. President, this amendment has been on the desks of Senators for several days. I ask that it be printed in the RECORD at this point without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. CARLSON, for himself and other Senators, is as follows:

On page 3, line 14, insert the following new section 102a, reading as follows:

"WHEAT—DOMESTIC PARITY

"SEC. 102a. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates"; (2) by changing the designation of subtitle D thereof to read as follows: "Subtitle E—Miscellaneous Provisions and Appropriations"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"SUBTITLE D—WHEAT MARKETING CERTIFICATES

"LEGISLATIVE FINDINGS

"SEC. 380a. Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced and consumed within the confines of any State is normally commingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of interstate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

"DOMESTIC FOOD QUOTA

"SEC. 380b. Not later than July 1 of each calendar year the Secretary shall determine and proclaim the domestic food quota for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

"APPORTIONMENT OF DOMESTIC FOOD QUOTA

"SEC. 380c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 percent thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of the total production of wheat in each State during the 5 calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for adverse weather conditions and for trends in production during such pe-

riod. The reserve quota set aside herein for apportionment by the Secretary shall be used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat during the 5 calendar years immediately preceding the calendar year in which the quota is proclaimed.

"(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 percent thereof for apportionment as provided in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the 5 calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for adverse weather conditions and for trends in production during such period.

"(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the 3 calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of the normal yield of the acreage planted to wheat during such 3-year period. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be equitable on the basis of tillable acres, crop-rotation practices, type of soil, and topography.

"MARKETING CERTIFICATES

"SEC. 380d. (a) The Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the county domestic food quota. Such certificates shall be issued to cooperators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 380c of this act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates in such quantities as may be required to persons processing wheat into food products. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

"(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 380b of this act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price and the estimated farm price for wheat, and (2) the value of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of the marketing certificate shall be computed to the nearest cent. The proclamation required by this subsection shall be made during the month of June immediately preceding the marketing year for which such domestic food quota is proclaimed.

"(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents,

either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

"MARKETING RESTRICTIONS"

"SEC. 380e. (a) Except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 380 of this act have been acquired by such person.

"(b) Except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 380d of this act have been acquired by such person.

"(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: *Provided, however*, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

"(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

"(e) As used in section 380e of this title, the term "marketing" means the sale and the delivery of the food product composed wholly or partly of wheat.

"CONVERSION FACTORS"

"SEC. 380f. The Secretary shall ascertain and establish conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

"CIVIL PENALTIES"

"SEC. 380g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 380e of this act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"ADJUSTMENTS IN DOMESTIC FOOD QUOTAS"

"SEC. 380h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emer-

gency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic food quota for wheat is increased under this section, each farm quota for wheat shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 280d of this act. In case any domestic food quota for wheat is suspended under this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 380d of this act.

"REPORTS AND RECORDS"

"SEC. 380i. (a) The provisions of section 373 of this act shall apply to all persons, except wheat producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

"REFERENDUM"

"SEC. 380j. In the referendum held pursuant to section 336 of this act on the national marketing quota proclaimed for the 1957 crop of wheat, the Secretary shall also submit the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than one-half of the farmers voting in the referendum favor such marketing certificate program, the Secretary shall, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and a marketing certificate program shall be in effect for the 1957 and subsequent wheat crops under the provisions of this subtitle and marketing quotas and acreage allotments shall not be in effect for wheat under subtitle B. If the marketing certificate program authorized by this act is approved for the 1957 crop by farmers voting in a referendum as provided herein, the provisions of section 101 (d) (8) of the Agricultural Act of 1949, as amended, shall have no applicability to the 1957 crop of wheat.

"PRICE SUPPORT"

"SEC. 380k. Notwithstanding any other provision of law—

"(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

"(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement relating to wheat to which the United States is a party, (4) foreign-trade policies of friendly wheat-exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

"(c) Compliance by the producer with acreage allotments, production goals, and marketing practices (excluding marketing quotas) may be prescribed and required by the Secretary as a condition of eligibility for price support and for the receipt of wheat-marketing certificates."

ORDER FOR ADJOURNMENT TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. JOHNSON of Texas. I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 11 o'clock a. m., tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROGRAM FOR REMAINDER OF THE EVENING AND TOMORROW

Mr. JOHNSON of Texas. Mr. President, after conferring with the minority leader [Mr. KNOWLAND] and the distinguished senior Senator from Kentucky [Mr. CLEMENTS], I announce that it is planned to consider this evening Senate bill 3091, a bill to amend the Rubber Producing Facilities Disposal Act, as heretofore amended. The bill permits the disposal of the plant at Louisville, Ky. It is our plan to dispose of the bill before we adjourn. We do not expect to have any more yeas-and-nays votes this evening. I hope we can expedite action on the farm bill tomorrow. We will plan to stay in session tomorrow evening until 7 o'clock.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. I should like to say for the information of the Senate that the bill referred to by the majority leader has a time limit on it, because the Commission which would make the disposal under the bill expires on March 22, if I am not mistaken. The bill was reported by the committee unanimously, by both the majority and minority members.

Mr. JOHNSON of Texas. I thank the Senator. Tomorrow, after the Senate convenes at 11 o'clock, we shall proceed to the consideration of the Executive Calendar during the morning hour. At that time, I may say to the distinguished minority leader, we will consider the nominations which have previously been passed over, namely, those of Mr. William E. Dowling and Mr. James Weldon Jones to be members of the United States Tariff Commission. I understand the senior Senator from Illinois [Mr. DOUGLAS] is interested in the nominations, and that he has been notified. I should like to have him present when the nominations are taken up. We plan to dispose of them before we consider the amendments of the Senator from Kansas to the pending farm bill.

Mr. President, I now have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS; Senate continued debate on farm bill. Rep. Laird criticized conference delay on school milk and brucellosis measure. Sen. Aiken and 18 other Senators introduced, and Sen. Aiken discussed, bill to improve and simplify credit facilities available to farmers. Sen. Long introduced and discussed bill to establish Federal-State Land Study Commission. Rep. Blitch introduced and discussed bill to provide food-fiber certificates for needy persons.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. p. 4061

Agreed to the following amendments:

- By Sen. Carlson, to provide a two-price system for wheat, with domestic parity, by a vote of 54 to 39 (a motion to reconsider the amendment was tabled (pp. 4061-80)).
- By Sen. Clements, to enlarge the commercial wheat area to include all States having allotments in excess of 190,000 acres instead of 240,000 acres, which restores Kentucky and Tennessee to the commercial area (pp. 4092-93).
- By Sen. Clements, to include dark air-cured, fire-cured, and Virginia sun-cured tobaccos in those types of tobacco eligible for participation under the acreage-reserve program (pp. 4093-94).
- By Sen. Butler, to include Maryland tobacco in the acreage reserve program (4094).
- By Sen. Clements, to remove the \$100 per acre limitation on tobacco acreage reserve payments (pp. 4094-95).
- By Sen. Bricker, to permit producers of Ohio cigar filler tobacco types 42, 43, and 44 to participate in the acreage reserve program (p. 4095).

By Sen. Williams, to prohibit the leasing of Government lands for the production of surplus agricultural commodities (other than livestock and livestock products) except on condemned lands, wildlife refuges, of flood-control reservoir lands (pp. 4095-97).

By Sen. Williams, to establish a ceiling of \$7,500 on the amount which may be paid to any one individual in any State for conservation reserve payments (p. 4097).

Rejected an amendment by Sen. Russell, to provide a two-price system for cotton, with domestic parity, by a vote of 33 to 57 (pp. 4080-92).

By unanimous consent, modified the debate limitation agreement on the farm bill so that more than 1 hour may be taken on any amendment or motion (except a motion to lay on the table). p. 4093

Sens. Smith, Schceppel, Humphrey, Clements, and O'Mahoney submitted amendments intended to be proposed to the bill. p. 4031

2. WHEAT. Sen. Young inserted a Chamber of Commerce resolution in support of the amendment to the farm bill providing for price supports of quality wheat at 90% of parity. p. 4016
 3. FARM EQUIPMENT. Sen. Langer inserted a citizens resolution urging that Congress investigate the spread between lower labor costs and higher farm equipment prices. p. 4016
 4. PERSONNEL; PENALTY MAIL. The Post Office and Civil Service Committee reported without amendment the following bills: (p. 4017)
 - S. 1871, to amend the penalty mail law in several respects, including a provision to extend it to agricultural experiment stations (S. Rept. 1651).
 - H. R. 5856, to repeal the requirements for departments and agencies to report to the Postmaster General the number of penalty envelopes and wrappers on hand at the close of each fiscal year (S. Rept. 1659). In its report on the bill, the Post Office Department said it has "adequate alternate sources and methods to secure reliable information."
 - S. 1542, to authorize an allowance for civilian officers and employees of the Government who are notaries public (S. Rept. 1652).
 5. MEAT INSPECTION. Sen. Smith inserted a proclamation by the Governor of New Jersey commemorating the 50th anniversary of the enactment of the Federal pure food and drug law. p. 4032
 6. FARMERS' UNION. Several Senators discussed, with some criticizing and others defending, the record and activities of the Farmers' Union. p. 4037
 7. STORAGE CHARGES. Sen. Humphrey discussed the amounts being paid by this Department for grain storage and handling and inserted two letters, including one from this Department, on the matter. p. 4100
- HOUSE
8. SCHOOL MILK; BRUCELLOSIS ERADICATION. Rep. Laird urged immediate conference consideration of, and House agreement to, the Senate amendments to H. R. 8320, to increase funds available for the school milk and brucellosis eradication programs. p. 4109
 9. TAXATION. The "Daily Digest" states that the Ways and Means Committee directed the Chairman to disagree to the Senate amendments to H. R. 8780, to provide

of the appointments to the Commission, the rulings of the Commission, and the general protectionist bias of the Commission, I hope I have served in some small measure to alert the Members of this body and the country to the fact that the announced policy of the Eisenhower administration for freer trade is not being carried out in practice, but it is being opposed by the men whom President Eisenhower is himself appointing and giving high office on the Tariff Commission.

I am not going to vote against confirming these nominations, because I have nothing against the nominees personally. But I believe that the country should be aware of what is happening.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nominations of William E. Dowling, of Michigan, and James Weldon Jones, of Texas, to be members of the United States Tariff Commission?

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

I further announce that if present and voting, the Senator from Virginia [Mr. BYRD] and the Senator from Tennessee [Mr. KEFAUVER] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in his State. If present and voting, he would vote "yea."

The result was announced—yeas 92, nays 0, as follows

YEAS—92

Aiken	George	Millikin
Allott	Goldwater	Monroney
Anderson	Gore	Morse
Barkley	Green	Mundt
Barrett	Hayden	Murray
Beall	Hennings	Neely
Bender	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Pastore
Bricker	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Case, N. J.	Johnson, Tex.	Saltonstall
Case, S. Dak.	Johnston, S. C.	Schoeppel
Chavez	Kennedy	Scott
Clements	Kerr	Smathers
Cotton	Knowland	Smith, Maine
Curtis	Kuchel	Smith, N. J.
Daniel	Langer	Sparkman
Dirksen	Lehman	Stennis
Douglas	Long	Symington
Duff	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Welker
Ervin	Martin, Pa.	Wiley
Flanders	McCarthy	Williams
Frear	McClanahan	Young
Fulbright	McNamara	

NOT VOTING—3

Bridges Byrd Kefauver

So the nominations of William E. Dowling, of Michigan, and James Weldon Jones, of Texas, to be members of the United States Tariff Commission were confirmed.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, last week I spent considerable time on the floor of the Senate discussing my amendment, which is designated "2-24-56-B." It has been on the desks of Senators for several days.

The amendment which I am proposing provides for domestic parity for wheat and is sometimes called a two-price program for wheat. The fact is, this is not a two-price system, but is actually a one-price program for wheat, which gives the farmer additional income for the amount of wheat that is produced for home consumption.

We have had extended debate on the plight of the wheat farmer. Through application of controls, wheat acreage has been cut from 78 million acres in 1953, to 55 million acres in 1955, which is the minimum permitted by law. This represents a reduction of 30 percent in 2 years.

The price-support level for wheat has been reduced from 90 percent of old parity, the rate in effect for 1954 and preceding years, to 82½ percent of old parity in 1955. It is to be further reduced to 76 percent of transitional parity for 1956. This shows that the wheat farmers have not only been complying with the program, but have been keeping within the program recommended by the Department of Agriculture and the Congress.

This continued decline in income to farmers, when everything else is booming, should cause all of us to pause and take a good look to see if there is not some other solution to the wheat problem. Bear in mind, Mr. President, that I am discussing only the wheat program today.

I, for one, believe that a sound program for American agriculture must be built upon a commodity-by-commodity approach; and this amendment does provide for that type of a program for wheat.

I am perfectly convinced that if we do not act favorably upon this amendment in this Congress, we shall have to come to it eventually, for the very definite reason that we cannot ask the wheat farmers of the Nation to produce and sell wheat based upon a corn price. That is what we are doing, as the years go by. We are headed downward continually. Parity is already down to 76 percent. If

we follow the transitional parity, it will be down 5 percent next year, and 5 percent the following year.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. ANDERSON. I think the Senator from Kansas has not quite accurately stated the terms. It is not a total drop of 5 percent. It is 5 percent based upon the maximum from year to year.

Mr. CARLSON. "Transitional parity" is the expression.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. YOUNG. The maximum drop is 5 percent. It was 5 percent this year, or 12 cents a bushel. Next year the maximum may be 12 cents a bushel, or 5 percent. The year after, or 1958, the drop would be about 10 cents a bushel, or about 4 percent.

Mr. CARLSON. I am sure the Senator is correct.

The domestic parity plan is actually nothing but a system of marketing, which enables producers to obtain a return equal to "parity" for that portion of the crop which is consumed domestically for human food and to receive competitive market prices for the portion used for feed or for export. Under this proposal, there would not be any Government subsidy or price support in the market place, after the plan becomes fully operative.

The plan would be self-financing through the use of marketing certificates. Consumers of bread and other wheat-food products would continue to pay in the market place, as they do now, only a fair price. But once the plan is fully operative, unlike the present program, there would no longer be any necessity for consumers and taxpayers making a second payment in the form of taxes for export subsidies or for storage costs or for losses because of spoilage.

The domestic parity plan is simple in its administration and would be easy to place in operation. I would like to review it briefly because there apparently has been some confusion or lack of understanding as to its operation, particularly in high places of Government and by some farm leaders. There is very little time to go into the subject in detail today.

First. At the beginning of each marketing year, the Secretary of Agriculture would determine the portion of the wheat crop which would go into consumption as human food. This amount, which for years has been about 500 million bushels, would be the domestic food quota.

Second. The domestic food quota would then be allotted among the wheat farms of the Nation, substantially on the same basis as acreage allotments are now made, except that in this case the acreage would be translated into bushels and the share of each farm would be in bushels.

This is not a new program. We already have the program, except that in this case acreage would be translated into bushels.

Third. Each farmer would receive a certificate stating in bushels his share of the estimated domestic consumption of wheat for food.

Fourth. The certificate would have a value in dollars and cents representing the difference between the average market price of wheat, as estimated in advance by the Secretary of Agriculture, and 100 percent of parity.

Fifth. The value of the certificate received by the farmer, plus the price received in the market place for his wheat will return to the grower the equivalent of full parity on that portion of the crop consumed domestically as food, and the competitive market price for that portion of the crop used for feed or export.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CARLSON. I am happy to yield.

Mr. BARKLEY. Are we to understand, then, that the Senator's amendment provides that, on the portion of the wheat crop used domestically for food, the support will be 100 percent of parity?

Mr. CARLSON. That is correct; full parity.

Mr. BARKLEY. That is 100 percent.

Mr. CARLSON. That is correct.

Mr. BARKLEY. If that occurred, the portion of wheat consumed domestically for food would be the only crop supported on a basis of 100 percent of parity.

Mr. CARLSON. Only that portion of it used domestically for food.

Mr. BARKLEY. No other crop, or no portion of any other crop, is supported on that basis.

Mr. CARLSON. I think the Senator will find that wool is supported on that basis.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. CARLSON. I am happy to yield.

Mr. CASE of South Dakota. Of course to determine what the net to the farmer would be it would be necessary to know how much would be sold at the export price or at the feed price, and then average it to determine what the average parity return would be. Is that correct?

Mr. CARLSON. The Senator from South Dakota is correct. There would be one price for wheat, which would be set by the Secretary of Agriculture.

Mr. CASE of South Dakota. The final result might be 90 percent, as in the case of tobacco, or 80 percent, as in the case of corn. The rate could not be ascertained until there had been some experience to determine how much wheat was sold in the export market for a fair price and how much was sold at the domestic parity price.

Mr. CARLSON. As a matter of fact, some of the figures I have studied show that the farmer might not, at the present time, get any more for the wheat than he is now getting, and that wheat would sell for between 85 percent and 90 percent of parity.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. LANGER. I understood the distinguished Senator from Kansas to say that he estimates that there are 500 million bushels of wheat used domestically. Is that correct?

Mr. CARLSON. That is correct.

Mr. LANGER. What is the estimate of the amount of wheat exported?

Mr. CARLSON. We have exported as much as 500 million bushels of wheat. That was in 1951. Last year I believe it was 212 million or 225 million bushels of wheat. I hope this year we can export from 250 million to 275 million bushels of wheat, although I have grave doubts about it.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. WELKER. I am very much interested in my distinguished colleague's amendment, which embodies a domestic parity plan. It is certainly a new and a meritorious approach to a very perplexing problem. I am one who feels that neither the high nor the flexible parity plan is the solution, although the latter, in my opinion, is the preferable plan.

I wonder whether the Senator from Kansas will be kind enough, based on his vast experience and knowledge of agricultural subjects, and as a fine representative of his great State of Kansas, to answer a few questions.

Mr. CARLSON. I shall be pleased to answer them if I possibly can.

Mr. WELKER. Will the farmer get more or less control under the Senator's amendment?

Mr. CARLSON. If the program is adopted, there will be a continuation of acreage allotments. Until we remove some of the surpluses, we will have to continue acreage allotments. Once the program is in operation, the farmer should be free from control.

Mr. WELKER. I have talked to my distinguished colleague about the vast group of Idaho wheat farmers in the vicinity of Moscow, Idaho, and in other areas, and I have been very much interested in the Senator's amendment. I wonder whether the Senator can tell us whether the small farmer will get an equal break under his plan.

Mr. CARLSON. I wish to say, first, that the distinguished Senator from Idaho has discussed the program with me and he has expressed a keen interest, not only in the wheat growers, but in agriculture as a whole in Idaho, and he is doing a fine job representing that great State.

The wheatgrowers would receive a bushel allotment, instead of an acreage allotment, which in my opinion would be of great advantage to the wheatgrower. A farmer who received a bushel allotment would not need to raise the whole crop in 1 year, but could hold it over to the next year. That, I believe, would be a great advantage to the wheatgrower.

Mr. WELKER. I should like to ask one further question, if I may, of the distinguished Senator from Kansas.

My attention has been called to this situation, and I should like to ask the Senator a question about it. Would the plan tend to bring more or less land under cultivation?

Mr. CARLSON. Of course I should say that it would not at the present time in connection with wheat or anything else, so long as there are allotments. Of course we will have to operate under al-

lotments until we get the surpluses down. However, I cannot conceive of a farmer not trying to adjust his acreage when he finds that he can get the advantages which are provided by the plan. I believe he will wish to adjust his acreage.

Mr. WELKER. I know that the farmer will adjust his acreage. It is only human nature, as I see it. Does the Senator agree with me?

Mr. CARLSON. I agree with the Senator.

Mr. WELKER. Does the Senator contend, if his plan is adopted, that it will operate at very little cost to the Government?

Mr. CARLSON. As a matter of fact, if the plan should operate as the McNary-Haugen bill was planned to operate—and this is a part of the same old type of program—the Government would not be storing great quantities of grain, and would not be paying a great subsidy for exports. In fact, the wheat farmer would take care of the program without cost to the taxpayer. I hope that can be done.

Mr. WELKER. I wish to pay my respects to the distinguished Senator from Kansas. He has done a service to the wheat farmer and to the whole agricultural economy of our country generally. I commend him for it very highly.

Mr. CARLSON. I thank the distinguished Senator from Idaho.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. BARKLEY. As I understand the Senator's amendment, it really affords three categories of prices. One is the world price for that which is expected. Is that correct?

Mr. CARLSON. Not quite, I will say to the Senator from Kentucky. The Secretary of Agriculture would determine on a certain day the price to be established for wheat in this Nation. Then he would determine how much of it would be used for domestic consumption. That one price would be the prevailing price for wheat. There is really only one price.

Mr. BARKLEY. That part of the wheat crop in this country which is consumed for feed, in competition with corn, has as its basis the comparative price which would be competitive with corn. Is that correct?

Mr. CARLSON. That is correct. I should like to say to those who are interested particularly in corn that under no circumstances would I favor legislation which would be detrimental to the corn producing States. I refer particularly to section 380 (b). There are four conditions which the Secretary of Agriculture must consider. One of them, for example, is the price level at which corn and feed grains are being supported, and the relation they bear to wheat.

Mr. BARKLEY. Under the bill and under the Senator's amendment, the Secretary of Agriculture would have to determine what portion of the wheat crop was used for feed in competition with corn, and fix a parity price which would be comparative with corn based upon the feed value of wheat as compared with corn. Is that correct?

Mr. CARLSON. The Senator is correct with respect to one factor, but not with respect to all factors.

Mr. BARKLEY. The other day we voted down an amendment to provide 90 percent of parity for millable wheat. The Senate defeated that amendment.

Mr. CARLSON. That is true.

Mr. BARKLEY. The Senator's proposal would take all the wheat in the country which is consumed domestically for food and put it on a 100 percent parity base. Is that correct?

Mr. CARLSON. That is correct.

Mr. BARKLEY. What would happen to the portion which went abroad, whether it was for food or feed? Would that not be sold at the world price?

Mr. CARLSON. At the market price, that is correct.

Mr. BARKLEY. So there would be three prices for wheat, one for human consumption, one for animal consumption, on the basis of feed, and another based on the world market, whether for feed or food. Is that correct?

Mr. CARLSON. The Senator may break it down into three classes. The fact is that the Secretary of Agriculture would set one price for wheat in this Nation. Then everyone would sell the wheat based on certificates. The only additional income to the farmer would be from the certificates.

Mr. BARKLEY. What is the good of setting one price for all the wheat and then have it divided into three parts, depending on whether it is for food or feed or foreign use?

Mr. CARLSON. It all sells for one price.

Mr. BARKLEY. Who buys it at one price?

Mr. CARLSON. The Secretary of Agriculture takes it and it is sold on the market at the one price he has set.

Mr. BARKLEY. Apparently I do not understand all I know about the Senator's amendment. [Laughter.]

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. YOUNG. The wheat would be sold on the open market, and the price would be what the market would bring, and the payment would depend on what the Secretary set as parity. The payment would be the difference between the actual selling price and the parity price, or 100 percent as established by the Secretary of Agriculture.

Mr. BARKLEY. The farmer who produced human consumable wheat for food would get 100 percent, on which he could borrow from the Commodity Credit Corporation on certificate. Is that correct?

Mr. CARLSON. That is not quite right. Assume that a farmer has a thousand bushels as his quota, and assume that the Federal Government decided that 500 bushels of that would be for domestic consumption. He would be permitted to get the increased price for that through certificates, but the rest of it would be at food price set by the Department of Agriculture.

Mr. BARKLEY. That would be also determinative of whether it would be consumed in this country for feed or other purposes, or be exported.

Mr. CARLSON. Yes.

Mr. BARKLEY. So, we have three categories.

Mr. CARLSON. I think that is correct, but one price has been set.

Mr. President, I wish to say in conclusion—

Mr. CASE of South Dakota. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. CASE of South Dakota. My understanding is that, first of all, so far as the Nation is concerned, there is a domestic need divided among the States, the States to the counties, and the counties to the farms. It will be expressed in terms of the average wheat produced on acres which have a history of wheat production.

Mr. CARLSON. That is correct.

Mr. CASE of South Dakota. The wheat farmer will be given a marketing quota, and on that basis he will be entitled to receive certificates. The value of the certificates will be the difference between the estimated farm price of wheat, the estimated market price of wheat, and the estimated parity price. The certificate will be cashed, and the market price of wheat will be determined.

Mr. CARLSON. I think the Senator is absolutely correct. At least, that is my understanding.

Mr. CASE of South Dakota. So we do not think in terms of support prices but in terms of the market price. It involves the difference between the wheat which goes into the manufacture of food products for domestic consumption and that which is disposed of otherwise.

Mr. CARLSON. That is correct.

Mr. ALLOTT. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. ALLOTT. As the distinguished Senator from Kansas knows, I have been very much interested in studying this bill. There are 2 or 3 questions I should like to address to my friend from Kansas, because, in my opinion, they are very determinative of whether this amendment has ultimate merit.

The first question is this: The Senator from Kansas has described how the Secretary of Agriculture is to set a price on wheat. Let us take a specific farmer, A, who has a specific allotment and a specific quota. He complies with his allotment, but exceeds his quota. He, therefore, has wheat to sell. From a practical standpoint, no one, of course, can guess whether he will exceed his quota. He may think he is going to get only 10 bushels to the acre, and may get 35 bushels to the acre. There is nothing I can see that would prevent him from selling wheat to Farmer B for seed and stock feed at less than the prevailing price.

Mr. CARLSON. I suppose the wheat market would determine the price. The farmer could give wheat away, I assume, but we will not find a wheat grower doing that.

Mr. ALLOTT. I draw a parallel between that situation and the situation we found in the Corn Belt where there

were corn allotments, but 76 percent of the farmers paid no attention to them, and were selling their corn at a price which was under the support price for corn.

Mr. CARLSON. That would not happen under this amendment, because it contains a provision that the price cannot be set below the support price of corn.

Mr. ALLOTT. The Secretary cannot set the wheat price below the support price of corn, but that does not prevent the farmer from selling his wheat at a price less than that.

Mr. CARLSON. I cannot conceive of any wheat farmer doing that. I know it is not my intention to permit that to be done.

Mr. ALLOTT. I realize that. That is the reason why I am asking these questions.

What was the production of wheat last year, for example, over the 550 million bushels which were used in domestic consumption?

Mr. JACKSON. Mr. President, I think it was 900 million bushels. It was close to a billion bushels.

Mr. YOUNG. The production for domestic consumption was approximately 500 million bushels.

Mr. ALLOTT. I am speaking of the total production.

Mr. CARLSON. I think the amount over the 550 million bushels used in domestic consumption was about 430 million bushels.

Mr. ALLOTT. The 430 million bushels would have to find its way to the domestic market by way of stock feed, or into the international market.

Mr. CARLSON. That is correct.

Mr. MORSE. Or for industrial uses.

Mr. CARLSON. We could dispose of 400 million bushels of wheat in this Nation if it were not for the surpluses hanging over our heads.

Mr. ALLOTT. There being no Government support—and I am not advocating that there should be in this instance, because the plan would not have any merit, for I do not think it is built that way—what would happen would be that the 430 million bushels of wheat would be thrown on the market and would glut the market in competition with corn and other feed grains, such as sorghums and small grains. So we would eventually be taking the cat off the back of the wheatfarmer and putting it on the back of the stockman. That is what I am concerned about.

Mr. CARLSON. I can appreciate the Senator's concern. But if 23 million acres had not been taken out of wheat production and put into feed crops this year, there would not be the present prices for livestock. If some farmers would produce 20 bushels an acre instead of 40 bushels an acre, the stockmen could be helped.

Mr. JACKSON. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. JACKSON. Is it not true that, historically, a certain portion of the wheat went into the market because of the support straight across the board; wheat feeds were not available, and the

result was that it was necessary to haul other feeds from great distances to places where wheat would be available except for the high price?

Mr. MAGNUSON. Half of it goes into export, anyway.

Mr. CASE of South Dakota. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. CASE of South Dakota. There is a provision on page 11 of the Carlson amendment which reads as follows:

(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement relating to wheat to which the United States is a party, (4) foreign trade policies of friendly wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

So a part of the answer to the question of the Senator from Colorado is that those who are cooperators, instead of getting certificates which will entitle them to parity on their marketing quota, can get price-support loans from the Secretary, the value of which will be determined according to the guideposts set forth in the amendment.

Mr. RUSSELL. Mr. President, will the Senator from Kansas yield so that I may make a brief statement?

Mr. CARLSON. I yield.

Mr. RUSSELL. I have been undertaking to study the whole question of farm legislation since I first became a Member of the Senate in 1933. We have gone the full cycle on various forms of farm legislation. Unless I sadly misread the times, the farmers, at least, are on their way back to a situation which could parallel that of 1933, when we consider the disparity between the farmer and all other segments of our population and economy.

I see no other answer to the problem of the great export commodities of times past than to adopt what is now termed the domestic parity system.

I introduced earlier this year a bill which seeks to apply to cotton the identical principle which the Senator from Kansas and his associates desire to apply to wheat. I think we shall be compelled to adopt that system before the agricultural problem ever will be solved. We simply must not keep the Government up to its neck in all these farm programs indefinitely. We cannot do that and at the same time do justice to the farmers and all the other interests which are involved.

For my part, I intend to support as earnestly as I know how the amendment proposed by the Senator from Kansas.

I shall, without regard to the legislative fate of the Senator's amendment here today, offer a similar amendment dealing with cotton on the same basis, because I am completely convinced that before the farm problem will have been solved, we shall be compelled to adopt a program similar to this, at least with respect to the two commodities which this Nation has exported for so many years, namely, wheat and cotton.

Mr. CARLSON. Mr. President, I commend the Senator from Georgia for his statement. I have the firm and serious conviction that we shall be temporizing the farm problem until we adopt programs which are practical for individual commodities, such as wheat, cotton, and other products of the soil.

At present we are going through much labor, travail, and trial in order to write farm legislation. If we study the history of the past 20 or 30 years, as the Senator from Georgia has suggested, we will find that the only time the farmer had prosperity was during wartime—and the farmer does not want war.

I remind the Senate that what is proposed is a referendum; we shall not be enacting legislation except when it shall be voted by the farmers. I cannot conceive of the Senate's not letting the farmers vote on their program. They must vote every year on whether they will continue the present price-support programs.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. YOUNG. I, too, intend to support this program. We talked of a two-price system away back in the twenties. We have been talking about various programs since that time. We have tried various programs throughout the years.

What is now proposed bears some similarity to the old McNary-Haugen program, but what is proposed is a vastly improved program, and, I might add, a better program than the flexible-support program we have at present.

Surely, anyone analyzing the present farm program in its application to farmers would have to admit that few wheat farmers can take a one-third cut in acreage and a one-third cut in price and still survive. If we cannot get 90-percent price supports we shall have to try a program like what is suggested. I think the Senator from Kansas is entitled to have his proposal considered by the Senate. I hope the Senate will give it a sufficiently large vote so that the amendment will be taken to conference and given a trial.

Mr. CARLSON. Mr. President, may I inquire how much time I have consumed?

The PRESIDING OFFICER. The Senator from Kansas has 18 minutes remaining.

Mr. CARLSON. Mr. President, I shall yield a little time to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I rise in opposition to the amendment. I wish the Senator from Kentucky [Mr. BARKLEY] were in the Chamber, because he raised a line of questioning a little while ago which I considered interesting. He spoke about a two-price system as a result of the pending proposal, if it were

adopted. In my judgment, it would apply the principle of the 4-price system rather than the 2-price system.

First of all, by the terms of the amendment a price would be set for the farmer on that portion of his wheat which was produced for domestic consumption. That price would actually go along with a certificate of 100 percent of parity. There would be 500 million bushels left—

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG. The Senator is incorrect. The price would not be set on wheat for human consumption. The price set would be the open market. In addition, the Secretary could set a minimum price-support level.

Mr. DIRKSEN. That is correct. I am sorry if I left a wrong impression. If the certificate were added to the price, that would be what the farmer would get on his wheat produced for domestic consumption.

So, on 500 million bushels of wheat, the farmer would get 100 percent of parity.

To take another outside figure, if the crop ran to a billion bushels, there would be 500 million bushels of all kinds of wheat to dispose of—winter wheat, spring wheat, and durum wheat.

Mr. CASE of South Dakota rose.

Mr. DIRKSEN. Let me continue for a while; then I shall be glad to answer questions.

So, first, with the certificate, there would be a guaranteed market, really, and a guaranteed price on half the wheat crop. The other half of the wheat crop would be left over, and it could either be dumped into export or into the feed market of the country. That would make a two-price system.

Incidentally, I may say, when the market price is set, it will be the feed market price. I think my friends will bear me out in that statement. The price level will be the feed-market level; and to that, of course, will be added the amount of the certificate for that portion which goes for food and domestic consumption purposes.

There is a third price, and that is the price which is being received in the market today by way of export, under Public Law 480, under the International Cooperation Administration, and under every one of the proposals under which the Government operates in this field today. Actually, I think that 87 million bushels of wheat left the country last year, under Public Law 480. I do not recall what the price was; but the price which is received is commensurate with the price in the market of the country to which the wheat goes, the capacity of a country to pay it, and any other circumstances which enter into the question. So that will be the third price market.

There will be one more market, the international wheat market, because the United States is a party to the International Wheat Agreement. This Government has exported wheat throughout the world for quite some time under that agreement. Since 1949 we have exported a little more than 1,250,000,000

bushels under the International Wheat Agreement. Some of it was exported with a premium or subsidy of 84 cents a bushel; some of it with a subsidy of 66 cents a bushel. If it left this country in the form of flour, the premium price may have been a little higher. But for a period of 7 or 8 years, the average subsidy on wheat which was exported under the International Wheat Agreement was 62 cents a bushel. We have now spent \$755 million of the taxpayers' money for that subsidy.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CARLSON. Does the Senator think that if the United States withdrew from the International Wheat Agreement program, we could eliminate \$771 million of expenditures?

Mr. DIRKSEN. This is as good a time as any to answer that question. The logical end of the theory of the two-price system would be to get the Government out of the wheat market entirely. The Government would be up to its ears in price supports under this program. We would not get the Government out, as a matter of fact. The Government would still be in the wheat market, as my friend disclosed a moment ago. There would still be half a billion bushels, 500 million bushels, fit for human consumption, which could be dumped into the feed market, and on which the farmer could still get a loan. He could put it in a can and hope to God that sometime somewhere it could be sold.

So the Government would still be facing this problem and its solution, and would be involved in the wheat market up to its very ears.

Mr. CARLSON. Does the Senator know of any way by which the Government can be expected to get out of the wheat business in the future, except by such a program as that now proposed?

Mr. DIRKSEN. Conditions being what they are at present the world over, I should say we should make use of the International Wheat Agreement by sending wheat to any country for whatever we can get for it. With conditions as they are at present, certainly we cannot get the Government out of the program now. Under the amendment, the Government will still be in the program. It will still be doing business under Public Law 480. It will still be doing business with foreign countries. It will still be negotiating arrangements to cover wheat, wheat flour, and other products of wheat. So I think there is real merit in the contention I made that if we adopt this amendment we shall have a four-price program, not a two-price program.

The other point I should like to bring out is—and make no mistake about this—when we get to 100 percent, adding the market value to the price of wheat, plus the certificate, it is going to come out of the consumer, and not out of the Federal Treasury. If I am wrong, I ask to be corrected.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CURTIS. Does the Senator have any objection to the price of bread coming out of the consumer rather than out of the Federal Treasury?

Mr. DIRKSEN. If it were a consistent program I would not, but we still have the Government in it.

Mr. CURTIS. Is not that true of the sugar program? It operates the same way.

Mr. DIRKSEN. Probably so, but I say that bread is the great staple in the diet of the average American family.

Mr. CASE of South Dakota. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. I know the Senator from Illinois, partially at least, got his start in life as a baker.

Mr. DIRKSEN. That is correct.

Mr. CASE of South Dakota. And he should know better than anybody else on the floor that the price of wheat has very little relationship to the price of bread; that the amount of wheat which goes into a one-pound loaf of bread does not cost more than from about 1½ cents to 3 cents. I think the Senator from Illinois and I were members of the Appropriations Committee when this question came up, and we found that, although the price of wheat had declined from \$3 a bushel to a couple of dollars a bushel, the price of bread had gone up from 16 cents to 24 or 25 cents a loaf.

Mr. DIRKSEN. Let us see whether the price of wheat does have a little relationship to the price of bread. When I was a baker we were selling 1-pound loaves for 10 cents, retail and we get 300 1-pound loaves out of a barrel of flour. If the cost of flour went up 1 cent and a loaf of bread were being sold for 8 cents, there would be a 12½-percent increase. If that is not a substantial increase, I never saw one. One can rationalize the argument on the basis of a penny, one can make the argument, but percentage-wise an increase of 12½ percent means something. One of the distressing things in Great Britain at this moment is that the cost of living has gone up 10 percent. Six percent of that increase has occurred since 1955. Such an increase is about to blow the fiscal lid off that country. When we put the increase on the basis of percentages and get it in the right perspective, it becomes very important indeed.

Mr. CURTIS. Let us take it out of percentages. I recall returning to my State in 1937, when wheat was \$3 a bushel and bread was 14 cents a loaf. One year later I returned, and wheat was about \$2 a bushel and bread was selling for 17 cents a loaf.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CARLSON. I have figures from the Bureau of Labor statistics which show that between 1947 and 1953 the cost of wheat to the miller of a 1-pound loaf of bread declined from 3 cents to 2.8 cents, whereas in the same period the retail price of bread went up from 12.5 cents to 16.4 cents or more than 30 percent. So I do not think the price of wheat makes any difference.

Mr. DIRKSEN. I have made my case percentage-wise, and I shall stand on it.

I go to the next item. What happens to the feed market? We just put an amendment into the bill sponsored by the Senator from Texas [Mr. DANIEL]. It was jockeyed around so as to put it in more palatable form. But I call attention to the fact that we are merely aggravating the agricultural problem more, because cheap feed, such as grain sorghums, oats, and barley, raised on diverted acres, can only plummet the corn market.

I am not wanting in selfishness. I think a little in terms of the price of corn, soybeans, and hogs which are raised in the Midwest. I point no accusing finger at anyone who rises to contend for the major crop in his section. I think it is only fair.

I see the Senator from Arkansas is smiling. I suppose he is doing so because I have an amendment to strike out the rice title, because it is a two-price provision also. So my principle is consistent. I am against the two-price proposal, because I do not think it would do any good. I think it would aggravate the feed picture. It would invite administrative complexities of all kinds. In my judgment, it would not increase the export of wheat. Finally, it would leave us with a great quantity of wheat seeking some kind of outlet. Either it would go into the Government account or become competitive with the feed we are producing now. If it should, the alternate result would be that the Commodity Credit Corporation, with public funds, or the pledging of public credit, would have to take an equivalent amount of other feed grain out of the market to support the price and put it in some kind of can and leave it there until, by the grace of the Almighty, there was an outlet or it had spoiled and, out of compulsion and necessity, it would have to be moved out.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MAGNUSON. I do not think the Senator is contending that there will be more wheat grown than will be the case under the present situation. The wheat will be there anyway. Is that correct?

Mr. DIRKSEN. What about the other acres?

Mr. MAGNUSON. I do not think more wheat will be produced under the two-price system than is being produced now, so even if the argument of the Senator were correct, the wheat would still be there.

Mr. DIRKSEN. What happens to the 500 million bushels?

Mr. MAGNUSON. Right now we export 200 million bushels of wheat. Wheat competes with corn.

Mr. DIRKSEN. The proposal is designed to feed the wheat into the export market at whatever the feed level in America will be. What does the Senator think the Argentine, Canada, Australia, and the other wheat producing areas will be saying about that? Does the Senator think they will accept such exports without retaliation? Does the Senator think those countries will permit us to break down their economy?

Mr. MAGNUSON. That wheat would be sold on the world market.

Mr. DIRKSEN. That would be the feed price in America.

Mr. MAGNUSON. We are bound by the International Wheat Agreement.

Mr. DIRKSEN. Our exporters will want to ship wheat wherever they can, quite aside from the International Wheat Agreement. My friend shakes his head. If that is not the case, why have the amendment?

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CARLSON. I am sure the Senator is as wrong as he can be as concerns getting the wheat into the International Wheat Agreement countries and spoiling their markets. Our national representative at the international wheat conference, Herbert G. Hughes, has just returned from Geneva, where a conference was held. I received a letter from him, which I ask unanimous consent to have printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., March 12, 1956.

Hon. FRANK CARLSON,
United States Senate,
Washington, D. C.

DEAR SENATOR CARLSON: In view of the current farm legislation, I thought you might be interested in the report on a recent meeting I had with 8 representatives of the farm organizations in Canada, and 2 representatives of the farm organizations in Australia.

On Thursday, March 8, I met with these wheat producer representatives in Geneva, Switzerland, where all of us were attending an international wheat conference relative to renewal of the International Wheat Agreement. This meeting was attended by only producer representatives and we thoroughly discussed not only the current IWA negotiations, but domestic wheat program policies in the three major exporting countries.

I had the opportunity to explain in detail our own proposed domestic parity program, and after satisfying their many questions on details of operation, they expressed the opinion that they would prefer competition in international trade with us under this program to the present type of program under which we are now operating.

They said further that they would like very much to have the same program in Canada. I had been requested by Secretary Benson to discuss this particular subject with the Canadian wheat producer representatives because of his concern that they might be worried by our change in domestic policy.

This report should reassure those in this country who are worried about the reaction of Canadian wheat producers to the enactment of the domestic parity program in the United States.

Sincerely yours,

HERBERT J. HUGHES,
President, National Association of
Wheat Growers.

Mr. CARLSON. Mr. President, I should like to read 1 or 2 paragraphs from that letter.

Mr. LANGER. Will the Senator read it all?

Mr. CARLSON. It would take too much time, although I would not mind reading it. It is signed by our representative at the International Wheat Agreement and reads in part, as follows:

On Thursday, March 8, I met with these wheat-producer representatives in Geneva, Switzerland, where all of us were attending

an International Wheat Conference relative to renewal of the International Wheat Agreement. This meeting was attended by only producer representatives, and we thoroughly discussed not only the current IWA negotiations but domestic wheat program policies in the three major exporting countries.

I had the opportunity to explain in detail all our own proposed domestic parity program, and after satisfying their many questions on details of operation they expressed the opinion that they would prefer—

And I call the Senator's attention to this—

competition in international trade with us under this program to the present type of program under which we are now operating.

Mr. DIRKSEN. Meaning what?

Mr. CARLSON. The domestic parity program we are discussing now.

Mr. CURTIS. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. CURTIS. The present program is one subsidizing exports at about 85 cents a bushel, paid out of the Treasury.

Mr. DIRKSEN. If we are operating under a wheat agreement, then certainly the highest agricultural official in this Government, the Secretary of Agriculture, ought to be in line with that kind of concept. But the Secretary of Agriculture is opposed to this proposal.

Mr. MORSE. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Illinois yield to the Senator from Oregon?

Mr. DIRKSEN. I yield; if I am in error, I should like to be corrected.

First, though, let me ask my friend the Senator from Vermont, who is the ranking minority member of the Committee on Agriculture and Forestry, whether or not the Department of Agriculture is opposed to this proposal.

Mr. MORSE. No.

Mr. DIRKSEN. I got different information only a little more than 3 hours ago from the Department of Agriculture. So let us keep the RECORD straight, because I am not talking with my tongue in my cheek.

Mr. MORSE. Mr. President, will the Senator from Illinois yield to me, so that we can keep the record straight.

Mr. DIRKSEN. Yes; I yield.

Mr. MORSE. It is my understanding—I shall paraphrase the statement, but I think I shall give an accurate paraphrase of what the Secretary of Agriculture said—that, as the Senator from Illinois knows, the Secretary of Agriculture had been opposed to the so-called two-price domestic parity program for wheat, until a few months ago, when he was at Portland, Oreg., and made a speech to the Oregon Wheat League. At that time he said he thought another year was needed in order really to prepare the country for the program, but that he—and I think I am now going to give a very accurate statement of what he said—had come to the conclusion that there was merit in the program, although they wanted another year to place it under consideration and study.

But he did not express the opposition to it that had characterized the previous

attitude of the Department of Agriculture.

If Senators want my interpretation of what the Secretary of Agriculture means, it is that he thinks that in about another year they will be in a position to recommend the program; but they are not recommending against the program as of now. That is my understanding.

Mr. DIRKSEN. The estimate of my distinguished friend, the Senator from Oregon, reminds me of the man who rushed to a lawyer, and said to him, "I want to sue Bill Jones."

"What for?" asked the lawyer.

The man said, "Because he called me a rhinoceros."

The lawyer asked, "When did that happen?"

The man replied, "Thirteen years ago."

The lawyer asked, "Why didn't you come to see me about it before now?"

The man replied, "Because I never saw a rhinoceros until yesterday." [Laughter.]

Mr. MORSE. Mr. President, I think that is a very adequate description of the shift of position of the Department of Agriculture. I do not think there could be a better description of the shift in its position.

Mr. DIRKSEN. Mr. President, my friend, the Senator from Oregon, prefaced his remarks by using the words "a few months ago." At this time it is 3 o'clock, or a little after; and 3 hours ago I heard that the Department of Agriculture was opposed to the program. If more recent testimony is produced, and if any point is to be made in regard to the currency of the testimony; then, of course, I shall recede from my position. But what may have been said 3 or 4 months ago, is one thing; and what was said at 12 o'clock today is another. If there is any Senator who wishes to impeach that position, I shall lend myself to enabling him to state his case.

Mr. YOUNG. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield to my friend, the Senator from North Dakota.

Mr. YOUNG. Is it not true that now we have three export programs?

Mr. DIRKSEN. Or probably more, to judge from what I know.

Mr. YOUNG. Three distinct export programs. One of them is under the International Wheat Agreement, which in the past 6 months has cost us approximately 60½ cents a bushel. Another one is outside of the wheat agreement, but it is in the Department of Agriculture; and it has cost us about 72 cents a bushel. Then there is the program under Public Law 480, under which we even give away some wheat.

Mr. DIRKSEN. Oh, yes; that is correct. Depending on the kind of wheat, depending on whether it is hard wheat or soft wheat, and depending on whether it is shipped from the gulf coast to Latin America or whether it is shipped from east coast or from the west coast, the cost runs all the way from 64 cents to 84 cents; and we have spent a good deal of money on it. So now we are going to have a fourth price program; we are going to make it very complicated, and

not even a Solomon will be able to administer it.

Mr. WELKER. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield to my very distinguished friend, the Senator from Idaho.

Mr. WELKER. I thank the Senator from Illinois.

Let me say that I have enjoyed the discourse in regard to the attitude of the Secretary of Agriculture. This afternoon I have been interrogating my friends on the floor—including the ranking member on the minority side of the Committee on Agriculture and Forestry—and I have not heard that the Secretary of Agriculture is adamant against the passage of this bill. I have heard it stated that there were some "bugs" in the bill. I was asked, "Why not let the bill go to conference, and work out those things there?" But they were afraid that the House conferees would put more "bugs" into the bill.

I should like to have the Senator from Illinois pursue his interrogation a little further, so that we can know exactly how the Secretary of Agriculture, Ezra Taft Benson, feels about the passage of this bill.

As the Senator from Illinois well knows, I have been rather close to the Secretary of Agriculture for the past 3 or 4 years, and I have not had any bull-whipping given to me.

Mr. DIRKSEN. Let me say with the utmost of humility to the Senator from Idaho that there are 8 telephones in the Republican cloakroom and 8 telephones in the Democratic cloakroom, and another dozen telephones scattered throughout the Marble Room; and it is not a difficult chore for any Member of the Senate to talk to the Department of Agriculture on the telephone and find out for himself.

Mr. WELKER. Very well. Why does not the Senator from Illinois finish his question to the Senator from Vermont [Mr. Aiken], the ranking minority member of the Committee on Agriculture and Forestry, so that we may have the benefit of his view of the matter? I wish to know whether the Secretary of Agriculture is so much opposed to it or not.

Mr. DIRKSEN. I am speaking for myself.

Mr. WELKER. A moment ago the Senator from Illinois began to ask a question of the Senator from Vermont. I wish the Senator would finish the question, so that we might hear from the Senator from Vermont.

Mr. DIRKSEN. Mr. President, the Senator from Vermont is present, and can speak for himself.

Mr. MAGNUSON. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. Mr. President, I shall have to ask Senators to wait a minute; I am afraid that my time will run out.

Mr. MAGNUSON. I wish to ask only a brief question.

Mr. DIRKSEN. Very well; I yield for a brief question.

Mr. MAGNUSON. I wonder whether the Senator from Illinois was suggesting that the telephones on this side or

the telephones on the other side be used.

Mr. DIRKSEN. I am willing to telephone from the other side; there is nothing political about a telephone, Mr. President. [Laughter.]

Now I wish to ask my friend, the Senator from Kansas [Mr. CARLSON], a question: Is it correct that as we operate now, insofar as wheat is concerned, the small wheat grower can grow up to 15 acres of wheat and can market it without being subjected to the penalty?

Mr. CARLSON. That is a correct statement; and that is being done in many States of the Union outside the wheat area, to the detriment of the wheat area.

Mr. DIRKSEN. Under the certificate plan, what will happen to the small farmer who grows up to 15 acres of wheat?

Mr. CARLSON. I assume that he will be out of the program. He is now.

Mr. DIRKSEN. He will have to come in under the certificate program or plan, will he not?

Mr. CARLSON. I do not know that he will.

Mr. DIRKSEN. He will not receive any benefits unless he does.

Mr. CARLSON. Yes; but he does not receive any benefits now, under the 75 percent of parity. At the present time he sells his wheat, and he is free to sell it as he pleases.

Mr. DIRKSEN. What will happen under the amendment of the Senator from Kansas?

Mr. CARLSON. I assume—

Mr. DIRKSEN. Mr. President, I do not wish to have the Senator state his assumptions. The small farmer will come under the amendment of the Senator from Kansas.

Mr. CARLSON. I assume the small farmer will sell it, under the amendment.

Mr. DIRKSEN. All right. Well, we are going to let the price of wheat dribble down to the feed level. So if the small farmer has 15 acres of wheat, that is the price he will get. But if he wishes to receive the certificate value, he will have to reduce his acreage; in other words, if he now has 6 acres, he will be able to receive the benefits only if he reduces his acreage to perhaps 3. In arithmetic, that is about the way it will work out. If he now plants 10 acres, and if he wishes to receive the benefits, he will have to reduce his acreage to 5 or less. But how can a small farmer get along with so few acres?

If I am wrong in stating that this is what the plan will do to the small wheat grower, then of course I should like to be advised that I am wrong.

Mr. NEUBERGER. Mr. President, will the Senator from Illinois yield to me, to permit me to ask a brief question?

Mr. DIRKSEN. I yield.

Mr. NEUBERGER. I seek information. It has been my assumption, from the limited knowledge I have, that the small wheat farmers who raise 15 acres of wheat or less, seldom sell their wheat in the market, but chiefly use it for feed in connection with their own operations. For example, my wife's folk happen to be farmers. They raise a little wheat, but they do not sell any of it. They

feed it to their dairy cattle or chickens; they happen to have some poultry. How many of the small farmers actually put their wheat on the market? I am interested in obtaining that information.

Mr. DIRKSEN. In Illinois, a considerable quantity of wheat is produced, although not so much as is produced in Montana or Kansas, of course. However, very considerable quantities of wheat are produced in Illinois.

Mr. NEUBERGER. Are not there statistics in regard to this matter?

Mr. DIRKSEN. Of course there are. I do not have the outside figure in mind; but one who drives in Illinois any time during the June or July season will see wheat growing; in fact, he will see wheat growing both in Illinois and in the adjoining States. He will see little patches of wheat. Corn is grown there also. But that production will be cut in half, in the case of the small farmers, if this program is placed in effect.

Mr. NEUBERGER. But do I correctly understand that the Senator from Illinois claims that the small farmer who raises 15 acres or less of wheat, sells substantially all of it on the open market?

Mr. DIRKSEN. The best evidence I know of is the number of small mills one sees, which mill that wheat for cake flour, doughnut flour, and that sort of thing.

Mr. NEUBERGER. The mere fact that a mill is small does not mean the wheat comes from a small wheat acreage.

Mr. DIRKSEN. Not particularly; but that happens to be the practice. That is not the hard wheat area. Those mills are not like the mills on the Mississippi River at St. Paul and Minneapolis, where bread flour is milled. The mills to which I refer are mainly soft wheat mills.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MORSE. I think it is quite clear that the so-called small wheat farmer produces more than the acreage indicated. I do not think there will be found many 8-, 10-, or 15-acre tracts of wheat, even in Illinois. I think the wheat farms in Illinois go beyond that acreage. But let us assume that the so-called small wheat producer is that small a producer.

Mr. DIRKSEN. Outside the essentially wheat areas, where there are large farms, that is true of most wheat farms in the country.

Mr. MORSE. Let us consider the small producer. Under the present plan, if he complies with the acreage allotment, he gets a support price. Under the plan of the Senator from Kansas, if he complies with the certificate program, he will get his protection there. There would be no difference in the posture of the small producer, so far as Government assistance is concerned, under either plan.

Mr. DIRKSEN. He has the present market price of wheat to go on, and he can produce 15 acres without penalty. But, as the Senator from Kansas said, under his amendment there would be one base price, which would be the feed price of wheat.

We would give the farmer the value of the certificate which would be issued to him, to bring him up to 100 percent. But, of course, he must reduce his acreage. The small producer must reduce his acreage and when he does, what is left of his little acreage? I think I am right about it. The question is important.

Mr. MORSE. Certainly it is.

Mr. MAGNUSON. If he puts the wheat on the market, he may receive more than 100 percent.

Mr. DIRKSEN. He receives the feed price for it.

Mr. MORSE. Under the domestic consumption provision he would receive 100 percent.

Mr. DIRKSEN. He would reduce his 15 acres to get the benefit. Would he not have to reduce his acreage?

Mr. CARLSON. If that is true, it is not the intention of the Senator from Kansas to eliminate the 15-acre provision. That is one reason why I think the legislation cannot be written on the floor of the Senate. It ought to go to conference for the correction of any injustices. Therefore I hope this bill will go to conference.

Mr. DIRKSEN. Let me make this point: Rice is on a so-called two-price basis. The Senator from Louisiana, for whom I cherish a great affection, and of whose interest in that subject I am well aware, knows how I feel. My position has been consistent. I have an amendment pending to strike the rice title, and I would strike it if I could. But now a proposal with respect to wheat comes along. It is suggested that we should deal on the same basis with cotton. The Senator from Georgia [Mr. RUSSELL] will propose an amendment to that effect.

What about other commodities? If that is the way it is to be, and, one by one, we are to write commodities into the bill on a two-price system, when the subject has not been adequately ventilated, what will finally happen to the farm bill? It will become confusion worse confounded; and when we are through, when the final roll call is intoned, no Member of this body will know what we have done, either for or to the farmers of the United States.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. FULBRIGHT. Does not the Senator believe that the committee was wise? The committee felt that there was merit in the two-price system, and that probably we shall have to come to it. Does not the Senator feel that the committee was wise in selecting a relatively small and unimportant crop such as rice—speaking for the United States as a whole—and giving the principle a trial? I do not think there is anything wrong with it. But suppose there is difficulty in administration or otherwise. It would be very wise at least to put into effect a program on rice, as recommended by the committee.

Mr. DIRKSEN. I do not quite share that sentiment. If we are to adopt such a program, let us apply it to all commodities. If we have faith in the program, if there is conviction that it will

work, let us go through with a two-price system with respect to all the export commodities, instead of trying to write items of such dimensions on the floor of the Senate.

Mr. FULBRIGHT. I have faith in the program. I intend to support the wheat agreement. But when the Senator makes reference to rice, I think he proves the good faith of the committee, and its conviction that there is merit in the two-price program.

I presume that the committee felt that it was quite an undertaking suddenly to embark upon a program involving commodities so enormous in volume and so difficult to handle as wheat. I am not the judge of that; but certainly the committee accepted the principle, and included it in the bill.

Mr. DIRKSEN. I think the rice title is defective, in that Cuba is brought in under the so-called primary market quota. Frankly, I do not understand how in the world Cuba could be brought into that picture without doing violence to the relationships we have created under our foreign-aid acts of one kind or another. The possibilities of bypassing would be enormous in that respect.

Mr. FULBRIGHT. I wish to go into that subject in detail later, but I do not care to do so now, in connection with the wheat agreement. The Senator mentioned rice, and I think there is a good excuse for rice being in the bill. I shall be glad to discuss the question when it arises.

Mr. DIRKSEN. Mr. President, I wish to conclude these observations. Perhaps other Senators desire to speak.

I think it is an amazing thing that we go along in the consideration of a bill, and then suddenly try to clutter it up with an amendment of such proportions that no one can tell what it would do or how it would affect a crop involving a billion-bushel commodity which is probably worth normally in the market about \$2 billion. I do not understand the idea of doing it so summarily and hastily upon the floor of the Senate, when it has not been adequately considered in committee, or by those whose counsel and guidance we should solicit, since they are giving guidance to the agricultural destiny of the country.

So I will not be a party to the inclusion in this bill of a provision which might have a terrific impact upon the entire economy of the country, and could very conceivably make such a deep dent in the feed market that the corn farmers of my own area would be deeply prejudiced thereby. I think it would be the better part of wisdom and discretion on the part of the Senate to vote down this amendment.

Mr. President, I reserve the remainder of my time.

Mr. CARLSON. Mr. President, I yield 5 minutes to the junior Senator from Washington [Mr. JACKSON].

Mr. JACKSON. Mr. President, the domestic parity plan for wheat has my enthusiastic support.

I joined in cosponsoring this amendment in the sincere belief that the domestic parity plan will restore order to the wheat situation with a minimum of

Government control and a maximum of benefit—both to farmer and consumer.

One of the most important aspects of this plan for my State is the fact that it will permit wheat to be used for feed.

Washington State is a feed deficit State. Our poultry farmers, for example, import two-thirds of the 300,000 tons of manufactured feed they use each year. They pay freight costs anywhere from \$15 to \$24 a ton on this feed. Both they and the consumer suffer because they cannot afford to feed wheat under present price support programs.

As a matter of fact, the Department of Agriculture tells me that Washington State poultry production is now declining because of high feed costs while, at the same time, consumers' needs continue to rise. The domestic parity plan, by permitting wheat to move into the feed market at competitive levels, will give the wheat farmer new markets, the poultry grower local feeds without heavy freight costs, and the consumer cheaper poultry.

Washington State is also a livestock deficit State and, again, cheaper feed is the key to the problem. Merely to supply local demand within the State we could double our sheep production and increase our hog production five times its present level. As things stand now, we import this deficit at great loss to our farmers and our consumers. But the chairman of the Department of Animal Husbandry at the University of Wisconsin has stated that "the great bulk of the pork consumed in Washington, 90 percent, is imported because you cannot feed price-supported wheat to hogs."

Mr. President, what I have said about Washington State applies to other States in the Pacific Northwest as well.

The domestic parity plan for wheat will be a great step in the direction of agricultural self-sufficiency for this region.

By making the all-important distinction between wheat for domestic human consumption and wheat sold for feed and export purposes, this plan could increase exports and sales of wheat for feed by over 200 million bushels.

I do not share the fears expressed by some that the domestic parity plan might have adverse effects on the prices of other feed grains. The estimated increase in use of wheat for feed under this plan represents about 3.5 percent of the total feed grain market. Furthermore, there is standby authority in this amendment to protect other feed grains.

Quite aside from this, however, the evidence indicates that if wheat acreage expands under the domestic parity plan, this will reduce rather than increase the available supply of feed grains. The feed value of an average acre of wheat is less than the value of that acre if sown in other feed grains. Thus in 1954 we produced over 35 percent more feed grains on the acres diverted from wheat than would have been grown had this acreage been used for feed-wheat production.

I might add, Mr. President, that the changing diet of the American people provides another sound reason for the

enactment of the domestic parity plan. Our per capita consumption of wheat, as my colleagues know, has steadily decreased in the past three decades. Meat consumption has risen steadily. Obviously, as the cereal diet continues to give way to the meat diet, we will require more grains for feed. Of these grains, wheat is the most nutritious.

Mr. President, I have emphasized one benefit that will result from the domestic parity plan because it is of special significance to my State. There are, of course, other aspects of the plan of equal merit which deserve the serious consideration of the Senate. These features have been clearly set forth already by several of the Senators whom I joined in offering the amendment. I hope the Senate will support our confidence in the domestic parity plan for wheat and adopt the pending amendment.

Mr. CARLSON. Mr. President, yield 3 minutes to the senior Senator from Oregon [Mr. MORSE].

Mr. MORSE. Mr. President, on the 7th of March I spoke at some length on this subject. Today I wish to confine my brief remarks to the surplus wheat problem in its relationship to the domestic parity amendment.

First, Section 380 (c) of the domestic parity amendment now under consideration provides for acreage controls at the discretion of the Secretary of Agriculture. This means that as long as the present surplus stocks are on hand in the United States, the controls may be proclaimed by the Secretary. It has been clearly brought out by the debate on the floor of this Senate that wheat acreage controls are effective in controlling production. The latest United States Department of Agriculture estimates of the 1956 wheat crop, indicates that the total production will be very close to total disappearance for this crop year. The wheat farmers of my State have a fine record of compliance and I am sure that wheat farmers throughout the Nation will cooperate in making the acreage allotment program work.

Second, With the domestic parity program, wheat will be offered on the market at competitive prices. This will allow additional wheat to be marketed for feed, export and industrial uses, which cannot be accomplished, under the present Government program without a subsidized disposal program. Also, the incentives for the production of quality wheat, that would result from the operation of this program, will reduce overall production because high quality wheat will not produce as many bushels per acre as feed-type wheat.

It has been less desirable wheat that has filled the storage bins of the Commodity Credit Corporation under the present program.

Third, It must also be recognized that present price support programs contribute nothing toward the solution of the surplus problem. Despite acreage allotments at the minimum level permissible under legislation, despite price supports at 76 percent of parity in effect for this year's crop, and despite all out efforts on the part of the administration to reduce carryover stocks through

vigorous export programs and other disposal measures including foreign assistance programs, no reduction in stocks below the unprecedented all-time record of more than 1 billion bushels estimated to be carried over on July 1, 1956 is indicated for the end of the 1956-57 marketing year. Clearly, present price support programs are not the answer to the wheat surplus problem.

In closing I should like to say that it is only fair and right that we should include in the pending bill the proposed wheat provision so that we may get into conference the problem with regard to wheat. There are already in the bill provisions with regard to corn and other major crops. The wheat producers are entitled to have the conferees go into the program the Senator from Kansas has proposed. I wish to commend him for it. If there are any "bugs" in it, they can be taken out in conference.

The Senator from South Dakota [Mr. CASE] has an amendment, of which I am a cosponsor, which amendment, I am sure, will remove some of the objections we have heard with respect to the program which is now being debated.

Mr. CARLSON. Mr. President, I yield 3 minutes to the junior Senator from Oregon.

Mr. NEUBERGER. Mr. President, there are four reasons why it seems to me it would be the part of wisdom for the Senate to add to the pending farm bill the domestic parity plan.

First, it would return the sale and purchase of wheat to the open market, where the price is determined by factors of quality and demand.

Second, the resulting lower market price would make it possible for more wheat to move into export and industrial uses, and thus increase the total overall use of wheat.

Third, it would guarantee wheat farmers full parity on that part of the annual crop which goes into domestic human consumption.

Fourth—and perhaps this is the most important reason—it should ultimately get the Government out of the business of buying, storing, and trying to dispose of wheat.

Mr. President, we have heard a great deal said on the floor of the Senate regarding some fears about the proposal expressed on the part of corn growers. I should like to quote a statement made last year by one of the leading farm spokesmen of the Nation, Mr. Herschel D. Newsom, the master of the National Grange, who certainly has at heart the welfare of corn growers as well as of wheat growers. I quote him directly as follows:

Some corn growers argue against this program. Actually, they have little to worry about. The stop-loss price floor would take care of this. Besides, wheat never was, and never will be, a serious feed-grain competitor of King Corn.

So spoke the master of the National Grange.

Mr. President, I believe that the wheat growers of the Nation, who have taken the lead in urging the adoption of the proposed program, deserve credit for making an effort to get the Government out of the business of buying and sup-

porting and storing wheat, and for trying eventually to bring about a program which will make wheat stand on its own.

I feel that the wheat growers of the United States—certainly those of my State—owe a debt of gratitude to the distinguished junior Senator from Kansas [Mr. CARLSON], who has so ably and capably sponsored the pending amendment on the floor of the Senate. I am greatly pleased to be associated with him in his public-spirited effort.

Mr. CARLSON. Mr. President, I yield 4 minutes to the Senator from South Dakota.

Mr. MUNDT. Mr. President, the Senator from Illinois [Mr. DIRKSEN] asked the question if we do this for wheat and then take another approach for cotton and then take this approach for rice and then take still another approach for sugar, where will we be going with the farm program?

Mr. President, perhaps we are exercising very good judgment in connection with the whole farm program when we do start prescribing a specific remedy for a specific ill. Perhaps one of the difficulties in the past has been that we have been too much inclined to prescribe one remedy and assume that it would automatically cure all the ills to which agriculture is heir.

As I said the other evening, I believe in connection with the wheat situation we have reached the point in the debate of the farm bill where more must be done for this product than has been done up to now, by some device or tactic. Most of the other farm products have been given a nudge in the right direction, by some gimmick or gadget in the legislation. With respect to wheat, however, we still face a discouraging situation. Unless we adopt the amendment before the Senate or some other amendment we will find that insofar as Senate action is concerned we will have done nothing to improve the status of the wheat farmer.

I am very hopeful that as this legislation comes back from conference, as the result of the tie vote in the Senate, and as the result of the clear demonstration that half of the Members of the Senate feel that something better must be done for wheat than has been done up to now, there will come something out of conference, if not very closely resembling or completely resembling the Young provision in the bill, something that will go substantially in that direction, and thus reflect the compromise position which a conference has the responsibility of endeavoring to create. That compromise position could well incorporate provisions of real and substantial benefit to our wheat farmers.

I think the amendment offered by the Senator from Kansas affords us an additional leverage which we can use in that connection and in that direction when we get to conference. It will give us a position in conference to argue emphatically and persuasively that the Senate does desire to do something better for the wheat farmers than we have as yet provided.

While the weakness of the amendment as it is before us is that it does not and cannot do anything to help the

situation in 1956 by making it available in the next crop year, we would by our adoption of it have the expression of the Senate that we recognize that the problem of wheat has not been solved, and it will make it easier for the conferees to know what to do about the House position, and to come back with something more nearly resembling what I thought was a very constructive proposal as written into the proposed legislation by the Senator from North Dakota in the language approved by our committee.

So, Mr. President, I think we can vote for this amendment for a number of reasons. In the first place, if all the arguments of the distinguished Senator from Illinois be valid, the farmers will reject the program by voting "no" in the referendum. However, if they believe that in spite of the difficulties which he paints their future is best preserved by trying the two-price system, the farmers will vote for it.

I think the Senate can well afford, after we have discussed the two-price system these many years, to give the farmers who raise wheat an opportunity by way of a referendum by saying, "Yes, you may try it out for a year or 2 years," or to say, "No; after studying the matter carefully we prefer the existing wheat program"—whatever it may be at that time.

That is all the amendment offered by the Senator from Kansas now provides.

I think, Mr. President, we are where we were with respect to the Hickenlooper amendment after the 90 percent price-support provision was stricken from the bill. We are at about that point in reference to wheat. This amendment will help to bring about that improved legislation which we hope will flow out of the conference.

So, Mr. President, I urge the Members of the Senate, on balance, to vote for this amendment and thus give additional evidence that this body does wish to do something constructive for the wheat farmers of America.

Mr. CARLSON. Mr. President, I yield 3 minutes to the senior Senator from Kansas [Mr. SCHOEPPPEL].

Mr. SCHOEPPPEL. Mr. President, I have carefully listened to the debate on the pending amendment, and I may say, very frankly, that as a member of the Committee on Agriculture and Forestry, when, after a long series of hearings, the various proposals were being discussed, the committee had some very serious misgivings about incorporating the principle of the amendment into the pending farm bill. However, in the present stage of the proceedings the amendment sponsored by my junior colleague and a number of cosponsors is the question before the Senate.

About 2½ or 3 years ago I was privileged to be a member of a conference committee on a farm bill when the question of a referendum on the two-price system came before the conferees. I say very candidly, Mr. President, that I took the position at that time that a referendum on the part of the farmers should be provided. It was the judgment of the conferees at that time that it should be voted down, so it did not become a part of that measure.

I have some serious misgivings as to the operational effect of this type of approach. I am wondering about the long-term commitments, the contractual relations, and the contractual status of the Commodity Credit Corporation and the Department of Agriculture. But this bill, containing this and other amendments, will go to conference. Personally I feel somewhat as my colleague from South Dakota feels, that the wheat situation has as yet not been given its proper status with reference to readjustment. I shall offer, a little later on, an amendment with reference to changing certain parity situations, but I feel that the bill, when it goes to conference, will afford an opportunity for complete settlement of the problem.

Mr. CARLSON. Mr. President, I yield a few minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I merely wish to associate myself with this amendment, and to say that it was discussed, as I am sure has been pointed out, in the committee. It was felt at that time, in the light of the hearings we had upon it, that it might be better to proceed under the plans outlined in the original bill reported by the committee. I must say, however, that now, having struck down section 102 of the bill, the section which would have applied 90 percent of parity to wheat of milling quality, the proposal offered by the junior Senator from Kansas is the most desirable alternative which has been proposed.

Furthermore, I cannot help but believe it deserves a trial. It provides a referendum for the so-called two-price plan on wheat. It has been fully discussed with us by the Senators who are cosponsors of the amendment, the Senators from Oregon, the Senator from Washington [Mr. MAGNUSON], the Senator from South Dakota [Mr. CASE], the Senator from Nebraska [Mr. CURTIS], the junior Senator from Washington [Mr. JACKSON], and the Senator from Michigan [Mr. MCNAMARA]. They and other Senators have discussed it with us at length.

Moreover, Mr. President, the National Grange, one of the great farm organizations, has given active and wholehearted support to the so-called two-price system for wheat. This gives me an opportunity to pay tribute to that great farm organization. I have always respected the point of view of its members of it. I have the greatest regard and respect for Mr. Newsom, the head of the Grange, and its Washington representative. He is a man who gives us much advice and counsel, all of which is good.

So I wish to say to the Senator from Kansas that it will be my happy privilege to support his amendment, and I am hopeful that we may get sufficient votes to do something constructive. It will mean a great deal to the wheat-producing States, both in the Midwest and in the Northwest.

It seems to me that the amendment has rather broad sponsorship, representing all sections of the country.

So I welcome this opportunity to give the wheat producer at least a fighting chance in this farm bill. It is one of the

better chances we have to get something desirable in farm legislation, rather than to continue to weaken it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from Kansas, for himself and other Senators.

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from California [Mr. KNOWLAND].

Mr. KNOWLAND. Mr. President, I rise to speak in opposition to the amendment offered by the Senator from Kansas. To the best of my knowledge and belief, the amendment and the two-price plan have not had the endorsement of the administration or the Department of Agriculture. The Secretary of Agriculture believes that many dangers are contained within the proposed amendment. I hope the amendment will be defeated.

Mr. DIRKSEN. Mr. President, I yield myself two minutes. I want to find out about the 15-acre proposal. It is my understanding that there are about 700,000 farmers who each produce in the neighborhood of 15 acres of wheat or less. That is a quite substantial number of farmers having small wheat farms.

If my estimate is correct, under existing law they can raise without penalty up to 15 acres, and they cannot share in the referendum for which provision is made. That is what I want to ascertain. Would the 700,000 small wheat farmers have to go out of existence?

Mr. CARLSON. So far as I can see, they would be in the same situation they are in under the present farm program. I have checked this with the clerk of the Senate Committee on Agriculture and Forestry, and that is his understanding. I may be in error, but it is also my understanding.

Mr. DIRKSEN. The problem before us is, what will be their position under the amendment?

Mr. CARLSON. If their position is as I think it is as present, I am sure they will be taken care of in conference. I have every reason to believe that that is the situation.

Mr. DIRKSEN. Mr. President, in a matter so vital, affecting more than 700,000 farmers who do not produce in excess of 15 acres of wheat, I am a little astonished that their interest should rest in such a vague, amorphous state, trusting to Providence and the good grace of another body to look with kindness upon their supplications when the amendment goes to conference. Frankly, there is no assurance that when the amendment goes to conference it will ever come out.

That leads me to observe that every Member of the Senate is concerned about the farm bill. I certainly hope so. There have been rumors and allegations that perhaps a rather polite and not too aggressive filibuster was going on to prevent the bill from finally eventuating. I should be very reluctant to believe that; but we cannot finally reach our objective if we encumber the bill with items which are so at variance with the basic program of the administration.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. I yield myself 2 additional minutes.

If the bill shall be encumbered with so many items which are at variance with the basic program of the administration, we shall be affording little more than an opportunity, perhaps, to look with disfavor upon the handiwork of both the Senate and the House conferees, such as it may be. That might mean no bill at all.

That, by implication, does not mean that I am speaking for the President. I do not know what the President would do. But I think I know what I would do if I were sitting in the President's place and had before me a bill so complicated, so difficult of administration, and constituting such radical departure from the basic concepts of the administration.

So I become a little concerned and apprehensive as to whether we are going to get a program if an amendment of these proportions is to be included in the pending bill.

Mr. CARLSON. Under the present existing farm legislation, there are no marketing quotas for farmers who produce 15 acres or less. There are no marketing quotas in this bill for farmers who produce 15 acres or less. That means that if they came under the certificate plan they will have to cut their acreage in half. If they wanted to get the full benefits, they would have to market 50 percent, or whatever the figure might be, under the full parity clause.

Mr. DIRKSEN. That is a rather bitter alternative. I am a corn raiser and a hog raiser. I have 10 acres in wheat. I can plant 10 acres in wheat if the amendment becomes law, but I will be selling my wheat on a feed basis because wheat is going to find its own level. But if I want to cut the figure of 10 acres in half and plant only 5 acres of wheat, then I can get the benefit of the certificate plan provided in the bill. But, as to the remaining 5 acres, I will either have to find a market for the wheat in the form of feed or I must accept Government price supports, and we have not gotten away from the Government under this plan.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. HICKENLOOPER. Mr. President, I should like to ask the Senator from Illinois some questions, if I may.

Mr. MAGNUSON. Mr. President, do I correctly understand that the Senator's time has expired?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. DIRKSEN. Mr. President, I yield the Senator from Iowa 5 minutes.

Mr. HICKENLOOPER. Mr. President, I am very much concerned about the 15-acre farmers, because 50.9 percent of the farms in the United States which raise wheat have 15 acres or less of wheat, according to the figures which I have. Under the amendment which is proposed, 50.9 percent of the wheat

farmers in the United States could not vote at all.

Mr. DIRKSEN. Mr. President, will the Senator yield at that point?

Mr. HICKENLOOPER. Yes; I yield.

Mr. DIRKSEN. Can we get an answer to the question which the Senator from Iowa has raised?

Mr. CARLSON. I may say to the Senator from Illinois that there are no marketing quotas under the present law, and no marketing quotas under the proposed law, for 15-acre wheatgrowers. How much farther can we go?

Mr. DIRKSEN. I am not a member of the Committee on Agriculture and Forestry. The Senator from Iowa is a member of that committee. He has wrestled with this question for weeks and months. Certainly there must be an answer to a question involving more than 700,000 small farmers.

Mr. YOUNG. Mr. President, will the Senator from Iowa repeat the figures he stated? Did he say 50 percent of the farmers?

Mr. HICKENLOOPER. Fifty and nine-tenths percent of the farms raising wheat in the United States are under 15 acres. I am very much concerned about that, because while Iowa is not considered a major wheat-raising State, still a large amount of wheat is produced there. I do not know whether the wheat farmers of Iowa will be completely and solely subjected to feed marketing at the competitive world price in determining the price for the wheat they raise.

Mr. YOUNG. Is it not true that under the domestic parity plan or under the present plan—either one—the small, 15-acre farmer can stay out of the program if he wants to, and feed his grain, as most of them do; or he can sell in the market and take what he can get for it. The only difficulty is that the cash or market price will be a little lower. The Secretary, however, can establish a minimum loan support level.

But if he wanted to come in under the program, he could get 100-percent support for about half his wheat production.

Mr. HICKENLOOPER. Under the 1938 Agricultural Adjustment Act, section 335, subsection (7), is an amendment to the act by the 74th Congress, and reads as follows:

A farm-marketing quota on corn or wheat shall not be applicable to any farm on which the acreage planted to the commodity is not in excess of 15 acres.

Section 336 provides for a referendum, and reads:

The Secretary shall conduct a referendum, by secret ballot, of farmers who will be subject to the quota specified therein.

If they are not subject to quotas, they cannot vote; they must be subject to quotas in order to vote.

There are 49.1 percent who cannot vote because they are not subject to quotas; and unless they are subject to quotas, they cannot vote.

Mr. CARLSON. Under my amendment, there is a minimum provision for price supports. The Secretary can set the price at whatever he thinks it should

be, based upon several factors, including competition of foreign and feed grains. Therefore, he would set the price which would go to the farmers on a fair market basis.

Mr. HICKENLOOPER. What would happen to a wheat raiser who grows 15½ acres of wheat at the present time? Would he not be subject to penalties? There have been a number of decisions by the Federal courts on that point. Would that situation be eliminated?

Mr. CARLSON. It is entirely possible that it might be eliminated. In the amendment, under the referendum provided for in section 308 (j), if more than one-half of the farmers voting in the referendum favored such a marketing provision, "the farmers shall," and so on. That sets up a program permanently. But under the law as it now exists, a two-third majority is required. That is a year by year program.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I yield 5 additional minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I am trying to get the matter straightened out. It is serious for my section of the country.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I am trying to ask questions myself.

Mr. MAGNUSON. I think the Senator's figure of 50.9 percent of farms which grow less than 15 acres of wheat involves farms on which 5, 6, 7, or 10 acres, probably, are planted in wheat. Probably the same situation would be true as to farms which raise cotton. Their main crops would be something else.

The only reason for the exemption originally was that they were not mainly growing corn or wheat. There are hundreds of farms throughout the country which grow an acre or two of wheat. About 72 percent of such farms grow wheat for their own use, such as for feed for poultry.

Mr. HICKENLOOPER. That may be true, but there are many farmers in the Midwest with less than 15 acres.

Mr. MAGNUSON. But they are not planted to the main crop. Iowa does not have 15-acre wheat farms. The 15 acres may be a part of a 100-acre farm.

Mr. HICKENLOOPER. Who will benefit under the proposal, the little fellow, or the big fellow?

Mr. MAGNUSON. The little fellow is not touched.

Mr. HICKENLOOPER. As I read it, the little fellow will operate under the competitive dump price, and he has no chance of getting the better support price.

Mr. CASE of South Dakota. Then, by that logic, he is a free rider today. He does not submit himself to any acreage reductions or anything like that. He simply rides on whatever benefit price he may get, because somebody else may cut down on acreage.

Mr. BARRETT. Is it not true that under the amendment the small wheat

farmer and the large wheat farmer will get the benefit of the marketing certificate on the amount to which they are entitled on the historical basis for the past 5 years? So, as to that portion of a farmer's production, they will get 100 percent of parity.

Mr. HICKENLOOPER. I do not read the proposal to mean that the farmer who has 15 acres will get it.

Mr. DIRKSEN. I think the Senator from North Dakota has put his finger on the pertinent question. All the small wheat farmers have a choice. A small wheat farmer can come under the certificate plan, or, if he has a vote, he can continue as is; but—and this is in answer also to the Senator from South Dakota who speaks about free riders—if he can produce 15 acres of wheat without incurring a penalty, and sell it, he will sell it on a market where a feed wheat value has been established, because there has been eliminated from the proposal the guaranteed domestic consumption value of wheat, and it has been tagged on the certificate, so that the farmer will get 100 percent on that part of his production.

As the Senator from North Dakota said to me a moment ago, the drop could be as much as 75 cents a bushel. That is a heavy penalty to a little producer, even though it is only a portion of his entire operation. If he wants to benefit under the certificate plan, he has to cut his operation in two, because there are 500 million bushels of wheat in excess for export. I am taking the figures given to us today. There are 500 million bushels for domestic markets—

Mr. CASE of South Dakota. The Senator is confused.

Mr. DIRKSEN. I am not confused.

Mr. HICKENLOOPER. Mr. President, I have the floor. The Senator from Oregon has been asking for recognition.

Mr. DIRKSEN. What was the figure the Senator from Kansas used as to the domestic consumption?

Mr. CARLSON. Five hundred million bushels.

Mr. CASE of South Dakota. That is the food consumption figure. The Senator from Illinois would not have wheat for seed or reserve.

Mr. DIRKSEN. The amendment is geared to wheat consumption.

Mr. CASE of South Dakota. The Senator is assuming that 500 million bushels of wheat will disappear in a normal year's operation.

Mr. DIRKSEN. I speak only about what is in the bill, which says "domestic wheat quota."

Mr. CASE of South Dakota. That refers to food.

Mr. BARRETT. Is it true that, under the amendment, the wheat farmers, large and small, get 100 percent of parity for that portion of the production which comes under the marketing certificate, and for the remainder of the production the price will be the same as it is at the present time?

Mr. DIRKSEN. It will be whatever the price is at the moment.

Mr. BARRETT. There will still be support prices of 75 percent for the remainder.

Mr. DIRKSEN. No.

Mr. CARLSON. The price for the remainder will be determined by the Secretary of Agriculture based on five factors. The price of corn is \$1.40 a bushel. It cannot go below that. That is much more than the feed price.

Mr. DIRKSEN. But that can be altogether different from 75 percent.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. The Senator from Iowa has the floor.

Mr. HICKENLOOPER. Mr. President, I have been trying to let the Senator from Oregon have his day in court, so he may ask questions. I yield to him.

Mr. MORSE. Mr. President, I should like to ask a few questions, in order to be sure I have the answers in my own mind.

Mr. HICKENLOOPER. I assure the Senator I do not know whether I have the answers to his questions.

Mr. MORSE. I think the Senator will have the answers to the questions I shall ask.

Under our present system a wheat farmer can produce to his heart's content on land up to 15 acres. He is subject to no marketing quota penalty, but he gets no supports under the present system. Under the bill, he can produce on up to 15 acres, and he does not have to come under the program if he does not desire; but if he does, then he has to get from the Secretary of Agriculture the allotment which will be due to him when the whole program is taken into account by the Secretary of Agriculture. The farmer will get 100 percent of parity on that part of his allotment which goes into the production of so-called human consumption wheat, but there is not necessarily a 50 percent cut in his acreage.

Mr. DIRKSEN. How much would it be?

Mr. MORSE. That will have to be determined by the Secretary of Agriculture when he takes the whole program into account, and puts it into operation.

Mr. DIRKSEN. How does the arithmetic work out?

Mr. MORSE. It depends on the number of 15-acre wheatgrowers who decide to come into the plan. I suspect farmers may find that they will be better off if they stay out of the program and do not take the support prices, because they are going to be the beneficiaries, under the plan, of a higher price for wheat than they are now getting. I think that will be the experience under the plan. But it is the assumption of the Secretary that the acreage is going to be cut in half that I say is wrong.

Mr. BARRETT. It seems to me the small wheat farmers and the large wheat farmers will try to conform to the provisions of the amendment, and get marketing certificates so they may obtain 100 percent of parity for the portion of the farms which can come under the program. However, is it not also true that a farmer will realize that it will be a little unprofitable if he produces for storage, let us say, and, consequently, will he not be susceptible to some measure of reason, and curtail production to

such a point that the large production which will result under the amendment will go for human consumption, and the farmer will get 100 percent of parity? So the end result will be that the wheat farmers will be better off under the amendment than they are at the present time.

Mr. MORSE. And there will be a reduction of the surpluses.

Mr. HICKENLOOPER. I should like to ask the Senator a question. On page 11, in section 380k (b) of the amendment, it says:

The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators.

How about the 15-acre farmer?

Mr. CARLSON. If he does not cooperate he does not come under the program. He does not come under the program now.

Mr. MORSE. He gets no supports now.

Mr. HICKENLOOPER. I call attention to a situation which is very difficult, and which I pointed out previously. If the same formula which applies to corn were applied to wheat, instead of an allotment of 55 million acres of wheat, it would be somewhere around 25 million acres.

I am not proposing to deny the wheat farmers the right to grow wheat. But I say the difficulty is the inequitable application of the formula. Manifestly, what is causing the difficulty in the case of wheat is that the acreage is tremendous, greatly in excess of the needs and demands.

Certainly I should like to find a formula by means of which a reasonable reward, by way of substantial encouragement, could be given for the production of wheat. But, today, much of the wheat is a drug on the market, and I do not think it will be handled by a program of the sort now proposed.

Mr. BARRETT. I should like to ask a question. Under the Sugar Act, we have a program which prorates the consumptive needs to the producers of sugar beets and sugarcane throughout the country. It seems to me the pending amendment proposes a program which is comparable to that program, and sets aside the 500 million bushels of wheat which will be needed for human consumption in the coming year.

Mr. HICKENLOOPER. Of course, there are many kinds of wheat, whereas for all intents and purposes there is only one kind of sugar. In short, for practical purposes, sugar is sugar. But there are many different kinds of wheat.

Mr. BARRETT. I understand. But under the amendment, the wheat is to be of a quality which is suitable for human consumption.

Mr. DIRKSEN. But my friend, the Senator from Wyoming, forgets that, for all practical purposes, the American sugar bowl is in Cuba, whereas in the case of wheat we are trying to find a market for the wheat we produce—a completely different situation.

Mr. BARRETT. Yes; but in this case we are encouraging production for consumption, not for storage.

Mr. DIRKSEN. Yes; but we do not have to find outlets for sugar; there is a regular market for all the sugar in the sugar bowl, in the case of Cuba.

Mr. MAGNUSON. Mr. President, I took the pains to read the history of the 15-acre provision. As I read it, the main reason for that provision was that the average farmer, not a wheat farmer, as such, who raised a small amount of wheat—15 acres or less—was raising it chiefly for his own consumption, rather than for sale on the market. That was the reason for the 15-acre provision.

Mr. HICKENLOOPER. That may be. I should like to ask the Senator from Kansas a question: Under the certificate plan for domestic consumption, 100 percent of the wheat for domestic human consumption will be paid for at the parity price of wheat; is that correct?

Mr. CARLSON. Yes; it will be the parity price as determined by the Secretary of Agriculture.

Mr. HICKENLOOPER. Yes. In the case of the rest of the wheat, whether 50 percent or more or less, which is not for domestic usage—and let me ask whether the domestic use of the 50 percent includes the use of wheat for feed.

Mr. CARLSON. No, only the use of wheat for domestic human consumption.

Mr. HICKENLOOPER. Only for domestic human consumption?

Mr. CARLSON. That is correct.

Mr. HICKENLOOPER. Very well. Then, for the sake of the argument, let us suppose that 50 percent of the wheat is used for domestic human consumption.

Mr. CARLSON. That is approximately what that amount is; that is correct.

Mr. HICKENLOOPER. In the case of the other 50 percent of the wheat, what is the lowest support price which could be received under the provisions of the Senator's amendment?

Mr. CARLSON. That would have to be determined by the Secretary of Agriculture, based on the 4 or 5 different provisions in the bill.

Mr. HICKENLOOPER. But in the bill is there a formula which will enable one to determine what the lowest support price will be?

Mr. CARLSON. The Secretary of Agriculture at that time will have to determine it.

Mr. HICKENLOOPER. Could he determine a price below 5 cents a bushel?

Mr. CARLSON. The bill states that he can not go below the support price for corn.

The VICE PRESIDENT. The time of the Senator from Iowa has expired.

The Senator from Illinois has 1 minute remaining.

Mr. DIRKSEN. Mr. President, I shall use that 1 minute to say to the Senate that I can think of no better reason for defeating the amendment than the confusion which now enshrouds it. No Senator has yet been able to make the meaning of the amendment clear.

The VICE PRESIDENT. All time available to the opponents of the amendment has expired.

Mr. MAGNUSON. Mr. President, I send to the desk an amendment in the nature of a substitute.

The VICE PRESIDENT. The Senator from Kansas has 8 minutes remaining.

Mr. MAGNUSON. Pardon me, Mr. President; I thought all time had expired.

Mr. CARLSON. Mr. President, I yield 5 minutes to the Senator from South Dakota [Mr. CASE], who is a cosponsor of the amendment.

The VICE PRESIDENT. The Senator from South Dakota is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. President, if there is confusion in the Chamber because of the discussion, it grows out of the fact that some Senators have more experience with growing corn than they do with growing wheat.

Actually, 500 million bushels is the approximate amount of the need for domestic food consumption; but if the United States is to grow wheat, there must be some wheat for seed. If wheat is to be grown, there must be some in reserve, and there must be some for feed.

Actually in the United States we can use 500 million bushels of wheat for food. We need approximately from 100 million to 200 million bushels of wheat to take care of the seed requirements and the feed requirements. Then we have always understood that we should have from 100 million to 150 million bushels of wheat as a carryover, as sort of a reserve against crop years in which there may be a drastic decrease in the production.

From all of those, we arrive at the figure of 800 million bushels of wheat as a necessity or a desirable minimum annual production.

We have been exporting from 200 million to 350 million bushels of wheat a year, depending on whether we were selling the wheat under the International Wheat Agreement or under the Marshall plan. The International Wheat Agreement expires this year. Mr. McLean, of the Department of Agriculture, has just returned from a trip abroad, where they considered whether the International Wheat Agreement would be renewed. The United Kingdom has indicated that it might not participate in the International Wheat Agreement again.

So it now seems that our export wheat would have to go on the open, world market. That situation has to be taken into consideration.

The pending amendment, as a matter of fact, far from being complex or confusing, is the simplest proposal which has been put before the Congress for dealing with wheat. This amendment simply provides that for the portion of wheat that a wheatgrower produces and that goes into the domestic food production, he can receive a certificate in addition to the price he receives on the market; and the certificate will represent the difference the Secretary of Agriculture estimates between the market price and the parity price. That is all that part of the amendment amounts to.

The Senator from Illinois [Mr. DIRKSEN] and the other Senators who have talked in a confusing way about the present plan and other matters in this connection, do not offer any solution to the problem of our surplus wheat supply, except to let the Treasury of the United

States pick up the check in some way.

The amendment proposes a self-financing plan, a plan which will not cost the Secretary of the Treasury or the budget of the United States 1 cent, once the plan really gets into operation—aside from possibly a few initial administrative costs.

The processor of wheat for food for human consumption must purchase certificates from the Commodity Credit Corporation or from the Secretary of Agriculture, in an amount equal to the wheat he will process for human food consumption; and he will pay for those certificates the amount of money that the Government will need, in turn, to retire the certificates that are issued to the grower. So it is a self-financing plan, and it is the only plan that has been advanced, so far as I know, that will not cost the Government something to see to it that the producer of wheat gets a fair price for the wheat which goes into domestic food consumption.

Mr. HICKENLOOPER. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE of South Dakota. I yield.

Mr. HICKENLOOPER. The amount of wheat estimated to go into domestic consumption, for which the certificates are to be issued, is the present domestic consumption. Does that mean food?

Mr. CASE of South Dakota. Yes; domestic food consumption.

Mr. HICKENLOOPER. Very well. What will happen to the remainder of it? Will it go into the domestic feed market?

Mr. CASE of South Dakota. About 100 million bushels of it will be needed for seed.

Mr. HICKENLOOPER. Will it be available for the domestic feed market? Will all of it be available in that way?

Mr. CASE of South Dakota. Not all of it, no; certainly not, because we expect to export possibly 200 million bushels. Of course that will be on the world market basis, if we do not have an international wheat agreement.

Mr. HICKENLOOPER. My question is this: Is it excluded from coming on the domestic feed market, or is it available for the domestic feed market? I know some of it may be sent abroad and some may be used for this or that or the other thing. Would this amendment prohibit such other use, aside from that used for feed?

Mr. CASE of South Dakota. No, it would not; but anyone who grows wheat will save some for seed; so that will not be available for the market.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. Mr. President, may I have 1 more minute?

Mr. CARLSON. I yield 1 additional minute to the Senator from South Dakota.

Mr. CASE of South Dakota. Finally, it seems to me that we should take a look at the referendum feature in this amendment. It does not go into effect automatically. The present law would continue unless the farmers in the referendum with respect to the 1957 crop adopted this proposal. It seems to me

that sound legislation requires that something be done for wheat in this bill. We have done something for corn. We have done something for cotton. Are we going to let the bill go to conference without giving the conferees an opportunity to make some provision for wheat? This is the best, most concrete, and cheapest proposal that has been offered to the Senate.

Mr. CARLSON. Mr. President, I send to the desk a modification of my amendment, and ask that it be stated.

The PRESIDING OFFICER. The modification will be stated.

The LEGISLATIVE CLERK. On page 10, after line 10, in the Carlson amendment, it is proposed to insert the following:

SEC. 380j. In the referendum held pursuant to section 336 of this act, on the national marketing quota proclaimed for the 1957 crop of wheat, the Secretary shall also submit the question whether farmers favor the marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program the Secretary may, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for the 1957 and subsequent wheat crops under the provisions of this subtitle, in which event the marketing quotas and acreage allotments shall not be in effect for wheat under subtitle B.

Mr. CARLSON. Mr. President, may I inquire how much time remains?

The PRESIDING OFFICER. The Senator from Kansas has 2 minutes.

Mr. MAGNUSON. Mr. President, I have been seeking recognition all afternoon. Will the Senator yield to me for one moment? Originally I had intended to offer a substitute. If the Senator will yield to me, I will not offer the substitute, but I should like to have 1 minute to make a brief statement.

Mr. CARLSON. I yield 1 minute to the Senator from Washington. I reserve 1 minute.

Mr. MAGNUSON. I ask unanimous consent that the Senator from Kansas be allowed an extra minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I had intended to make a few brief remarks on the farm bill itself, and, of course, support the amendment offered by the Senator from Kansas [Mr. Carlson] on behalf of himself and other cosponsors, which is a duplicate of my amendment.

This amendment had been offered by several of us previously. The one offered by the Senator from Kansas is somewhat of a modification and refinement of the original amendment offered by myself early in the session. All of us who were cosponsors are happy to join in an effort to accomplish this job.

I think we have sufficiently explained the merits of our proposal. After conference with other Senators, I have prepared a statement regarding it, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I want to compliment the Agriculture Committee of the Senate on the fine job it has done in presenting this bill to the Senate. The complexities of the farm problem are exceeded only by the urgent need for a solution—the complexities are exceeded only by the importance of a workable program—both from the viewpoint of the men and women on the farm and that of the general economic health of the Nation.

Generally speaking the committee has done a good job. I think the soil-bank provisions are a step forward. The committee recognizes that not only this generation, but posterity, is dependent for its very existence upon the 6 inches of topsoil covering the tillable acres of the Nation.

It is fitting and proper that the Federal Government should interest itself in maintaining the fertility of the soil—in insuring that the acres we bequeath to future generations are at least as productive as they were when we inherited them from our fathers.

The importance of this bill goes beyond the welfare of the individual man on the farm—it is closely related to the general prosperity of the Nation.

Since this administration took office, farm income has gone down about \$6 billion. News stories appearing in the capital this week relate that farm income for 1955 was down \$1 billion—that the average income of the 22 million people on the farms of the Nation has declined to less than \$900 per year—in contrast to the overall national average of approximately \$2,000; one-half the amount.

When you take \$6 billion in purchasing power out of the hands of the farmers, you threaten the economic pyramid at its base.

This week I received a letter from Mr. E. C. Huntley, chairman of the Highway Commission of Washington State. Mr. Huntley puts it this way:

"Extended periods of low income to agriculture have always resulted in increased unemployment. The farmer with little or no net returns from his work is like the laborer without a job—he has very little with which to purchase even the bare necessities. As large segments of agriculture and labor lose purchasing power—additional unemployment develops and surpluses pile up not only in farm commodities but in all branches of trade. These surpluses are not caused by over production but—instead—by a lack of buying power by large groups of our population."

Prosperity on the farms is absolutely essential to prosperity on Main Street. This is particularly true in the heavy agriculture areas.

In my own State, for example, business houses on the main street of Walla Walla cannot be prosperous for long unless the wheat growers in Whitman County are able to buy. The firms along Main Street in Yakima cannot expect to operate in the black unless the soft fruit and apple growers are doing well.

The ramifications go even further—the manufacturers of farm equipment, automobiles, trucks, electrical appliances, overalls, and canvas gloves have already felt the impact of a \$6 billion reduction in farm income. Again, I say it is fitting and proper that the Congress of the United States should concern itself with this problem, because—in so doing—we are helping not only the families on the farm but also those who supply this vast market.

I want specifically to speak in support of the so-called domestic parity or two-price plan amendment for wheat—but before getting into that subject—I want to call to the attention of the appropriate committees of the Senate a situation which I consider inequitable and unjust.

We heard criticism from some quarters of the cost of storing basic commodities—including wheat. To the best of my knowledge we have heard no criticism on purchases and storage of critical materials for the national and for the Defense Production Administration's stockpile.

Congress has established a stockpiling goal of some \$10 billion. We have in the stockpile now over \$6½ billion worth of critical materials. We have paid for stockpiling those materials over \$250 million. The annual storage costs run over \$25 million.

Congress established the stockpiling program and we pay for it in the name of national defense—in the name of national security. I voted for the program—I think it is a sound one. Most Senators did likewise.

Last year we—the Congress—set aside 500 million bushels of wheat as a strategic reserve. That wheat represents an initial cost of over \$1 billion.

Annual storage charges run approximately \$100 million.

I propose to the appropriate committees that these costs no longer be assessed against the farm program. If we meant what we said when we established the 500 million bushels strategic reserve—it is proper to charge these sums to national defense—to national security—to national preparedness.

Why should wheat be treated differently from tin, uranium, or any other material that has been determined by Congress and the administration to be an essential part of our preparedness effort?

Having turned down 90 percent—I turn now to a specific discussion of the domestic parity amendment for wheat.

This amendment is supported by the National Grange, the National Wheat Growers Association, the Washington State Wheat Growers Association, many farm organizations, as well as millions of individual farmers across the country. The plan has been discussed in the halls of Congress, on the farms of the country, and in farm conventions for the last 20 to 30 years.

It has been viewed and reviewed innumerable times by innumerable people.

It has been scrutinized and rescrutinized for defects.

It has been written and rewritten, polished, and perfected.

It has undergone every test except actual trial.

We propose in the amendment to give the farmers of the Nation a chance, by referendum, to put the plan into effect.

Here is how it would work:

Each year the Secretary would estimate the amount of wheat he anticipates would go into food for human consumption. Historically this is about 500 million bushels a year—out of the total crop of roughly 1 billion bushels.

Each farmer would receive his share of this wheat food quota.

All wheat would be sold in a free market—except that the Secretary would not permit the market price to go below 50 to 60 percent of parity.

Simultaneously the Secretary would estimate the selling price of wheat in the market place for the coming crop year. He would issue to each farmer a certificate covering his share of the wheat food quota—the dollar value of this certificate would represent the difference between the estimated market price of wheat and full parity.

Thus the price received by the wheat grower for his share of the food quota would be the market price—plus the dollar value of the food certificate—or full parity.

For the balance of his production the grower would receive only the market price.

The advantage of this plan is that it would insure full parity to the grower for that fair portion of his wheat going into human consumption and would move wheat at the market price into export and feed channels.

In effect it would put wheat back into the feed market—which it historically enjoyed.

In my own section of the country—the Pacific Northwest—wheat has been driven out of the feed market by artificial prices.

While wheat goes into storage, poultry, dairy, and stock men are importing corn from the Midwest.

Lars Nelson of the Washington State Grange, testified in Pendleton that in 1941, 43,139 tons of wheat were used for poultry feed—as compared to only 9,851 tons in 1955. In consequence he said—

“Our poultry men favor the two-price plan”—and later on—“Our beef men also favor the two-price plan. As realistic and as a benefit to increased beef feeder utilization.”

Best estimates are that we are feeding less than 7 million bushels of wheat in an area that produced 88 million bushels in the crop year just passed.

Growers estimate that we will have a potential market in the Northwest for 50 million bushels of wheat for feed purposes.

The two-price plan we are proposing is the first long step toward tapping that potential—the first long step for taking the stock, dairy, and poultry men out of the price-cost squeeze—the first long step toward a truly workable program.

On October 31 last year Senate Agriculture Committee—under the able leadership of the Senator from Louisiana—held hearings in Pendleton, Oreg. Among the witnesses was Harry J. Beerninck, general manager of the Washington Cooperative Farmers Association of Seattle. That cooperative is owned by—and is now serving—about 45,000 farm families.

He stated: “Normally, and prior to World War II, our principal grain ingredient for feed was wheat. * * *

“For feed purposes our organization alone is bringing into the State of Washington more than 5,500 tons of Midwest corn and southern milo per month—at a freight cost averaging \$20 per ton—or \$110,000 per month—totaling in excess of \$1,350,000 per year.

“At the same time Northwest wheatgrowers are being cut back on acreage while millions of bushels of Northwest wheat are being stored.”

I am sure that the stockmen of my State would tell you the same story.

At that same hearing, Mr. Edgar L. Smith, vice president of the Washington State Association of Wheat Growers, testified, in part, as follows:

“In the last 2 years Washington State income from wheat production, due to reduced acreage and lower prices, has declined 40 percent. In 1958 our wheat is scheduled—under the flexible plan—to be supported at only 73 percent of the present price.”

The domestic parity amendment—the two-price plan on wheat—would also help consumers. I am sure the chairman of the committee will remember the two very fine representatives from the Washington State Wheat Growers' Association, who appeared before him on Monday, January 23, Dwelley Jones and Ben Grote from Walla Walla, Wash.

Mr. Jones stated at one point in his testimony:

“Our State supports the National Wheat Association's position in the principle of a multiple pricing concept. We feel that full parity on 480 million bushels of our wheat—which is our present domestic consumption and has been maintained at approximately that level for a number of years—is a fair return for that portion of our crop.

“We do not feel that this would in any way affect the price of bread—since only 3 cents in a 20-cent loaf of bread is involved in the price of wheat.”

I have been convinced from the beginning that the so-called flexible price support sys-

tem would not work, that it was contrary to the laws of both human and mother nature.

The farmer—like other producers—faces certain fixed costs. When you cut his price he will try to make up in volume what he loses in income per bushel. In many sections of wheatgrowing country there are no other crops to turn to except crops like barley, oats, and other feed grains—the production of which tend to push wheat further out of the feed market. On this point I want to quote again from the letter of the chairman of our State highway commission:

“Compliance with the wheat acreage allotment program in Whitman County has been near 100 percent during the period of high supports on wheat. Will that high percentage of compliance continue under a program that will bring lower and lower prices for wheat? I do not think it will. Production from the farm at a price is the only way to farm income. Volume of production can be cut if price received is sufficient to pay cost and keep the land and equipment in good state of repair. Price received can be cut if volume can be held up to pay costs and keep the plant in good working condition. But any program that cuts volume of production and price per unit (bushel) at the same time and also while costs of production are holding or still rising will accomplish only one thing—it will create an agricultural condition similar to the one that existed during the early 1930's.”

I agree with his thesis.

The committee, in the bill it reported, has already taken 2 steps toward the 2 price plan. First, it has actually written into the bill a 2 price plan for rice, and second, it has included a provision for wheat that differentiates between milling varieties and varieties declared undesirable by the Department of Agriculture.

The committee proposes to support milling varieties at 90 percent of parity and the so-called undesirable varieties at a figure sufficient to produce an overall rate for all types at not less than 75 percent of parity.

Apparently the committee believes that by so doing part of our wheat production will move into feed channels.

The committee in its own bill is into the water up to its waist. I say to them—come on and join us by adopting this amendment to go all the way in establishing a truly domestic parity, a truly workable two price plan for wheat.

Let us give the wheat growers of the Nation an opportunity to vote by referendum on which plan they prefer. I am willing to abide by their decision. I believe they know the problem and the solution at least as well, or better, than we.

Mr. MAGNUSON. Mr. President, before I take my seat, I should like to make one observation. There has been some suggestion to the effect that the Committee on Agriculture and Forestry has not been consulted on this subject, and that we are legislating on the floor of the Senate. This subject has been before the Committee on Agriculture and Forestry. Hearings were held last year all over the country. One of the reasons why this amendment was not adopted earlier was that we had the 90-percent supports. Now that that has been defeated, there is all the more reason for this amendment. I wished to make that clear. Otherwise, the position of all of us might have been somewhat different. If the 90-percent supports had not been defeated, our position might have been

different. This amendment offers a solid alternative.

Mr. CARLSON. Mr. President, in conclusion, let me say that I have offered this modification in lieu of the language contained in my original amendment on page 10. It would provide that the Secretary, even if he determined that the farmers had voted by two-thirds that the program should not go into effect, could so state, and order the program to go into effect.

I do not think it comes with good grace for Senators who represent the corn-producing sections of the Nation to come here this afternoon, after we have given them a bonanza, so to speak, and oppose a wheat program. Frankly, we from the wheat-producing States regret it. I think it is most unfortunate that it should have happened.

I wish to state also that I did not like to hear the distinguished Senator from Illinois [Mr. DIRKSEN] and the majority leader state that the Department of Agriculture was opposed to this proposal. I would not rise on the floor of the Senate and state that the Secretary would either favor or oppose it. It was with regret that I heard such statements made.

We are giving cotton 86 or 87 percent of parity. We are giving the corn grower not only 81 percent, but 8 million additional acres over the allotment which would be approved for this year had we not voted that increase. I wish Senators would allow wheatgrowers to have this benefit. If they do not, they will live to regret having treated wheatgrowers in this fashion.

Mr. President, I ask for the yeas and nays on my amendment, as modified.

The yeas and nays were ordered.

Mr. DIRKSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT obtained the floor.

Mr. HUMPHREY. Mr. President—

The PRESIDING OFFICER. The Senator from Colorado has been recognized. Does the Senator from Colorado yield to the Senator from Minnesota?

Mr. ALLOTT. I yield to the Senator from Minnesota, provided I do not lose the floor.

Mr. HUMPHREY. Mr. President, I ask that the Senator from Colorado may yield to me briefly, without his losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I thank the Senator.

I have received today a very large number of telegrams in support of the amendment offered by the Senator from Kansas [Mr. CARLSON] and his co-sponsors. I ask unanimous consent that the telegrams be printed in the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

DULUTH, MINN., March 13, 1956.
Senator HUMPHREY,
Washington, D. C.:

Hope you support Carlson amendment providing two-price support. Let's not repeat the mistake made in defeating the McNary-Haugen bill made a few years ago.

GEORGE V. GIBBS.

MINNEAPOLIS, MINN., March 13, 1956.
Hon. HUBERT HUMPHREY,
United States Senator,
Washington, D. C.:

Urge your support Carlson amendment.
R. W. BOLTON.

DULUTH, MINN., March 13, 1956.
Senator HUBERT H. HUMPHREY,
Senate Building,
Washington, D. C.:

Urge you to vote for the Carlson amendment as a measure to put more wheat into full channels.

LYLE PATTERSON.

MINNEAPOLIS, MINN., March 13, 1956.
Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Please support Carlson two-price amendment vigorously. Farmers' best chance lies there.

R. L. SEARLE.

WAYZATA, MINN.

MINNEAPOLIS, MINN., March 13, 1956.
Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Believe a vote for Carlson amendment is the fairest way for all concerned including taxpayers.

J. B. FISHWICK.

EDINA, MINN.

MINNEAPOLIS, MINN., March 13, 1956.
Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

The Carlson amendment will materially help solve the wheat problem. Wish to urge your vote in its favor.

R. M. QUINN.

EDINA, MINN.

MINNEAPOLIS, MINN., March 13, 1956.
Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Urge your support on Carlson amendment two-price system for wheat. Let's not repeat mistake made in defeating McNary-Haugen bill years ago.

H. A. ULRING.

MINNEAPOLIS, MINN., March 13, 1956.
Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

Urge voting for Carlson amendment. Believe it's the solution of wheat problem.

CHARLES H. MCCARTHY.

WAYZATA, MINN.

MINNEAPOLIS, MINN., March 13, 1956.
Senator HUMPHREY,
Washington, D. C.:

Please support the Carlson two-price system.

LEW WORKMAN RICHFIELD.

MINNEAPOLIS, MINN., March 13, 1956.
Senator HUBERT HUMPHREY,
Washington, D. C.:

Strongly urge you support Carlson 2-price amendment.

EMORY C. ENSIGN.

HOPKINS, MINN.

MINNEAPOLIS, MINN., March 13, 1956.

Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Hope you will support Carlson amendment providing two-price system for wheat. Let's not repeat mistake made in defeating McNary-Haugen bill years ago.

J. A. BOLTON.

MINNEAPOLIS, MINN., March 13, 1956.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Urge you vote for Carlson amendment; feel best plan.

M. J. LAUREL.

MINNEAPOLIS, MINN., March 13, 1956.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Request your support Carlson two-price amendment.

MATT and SHELLY WALSH.

MINNEAPOLIS, MINN., March 13, 1956.

Hon. HUBERT HUMPHREY,
United States Senator,
Senate Office Building,
Washington, D. C.:

Strongly urge support of Carlson amendment to the farm bill for the two-price system that is 100 percent parity on wheat used for domestic human consumption.

A. L. BURDICK.

MINNEAPOLIS, MINN., March 13.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

We urge your support of Senator CARLSON's two-price plan as cure for farm problem.

MINNEAPOLIS GRAIN EXCHANGE.

ADRIAN HOWARD.

ROBERT HOWARD.

MINNEAPOLIS, MINN., March 13.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.:

Strongly urge that you support CARLSON's two-price amendment for benefit of both producer and consumer.

CHAS. E. RITTEN.

MINNEAPOLIS, MINN., March 13.

Senator HUBERT HUMPHREY,
Washington, D. C.:

Please support Carlson amendment to farm bill.

WALLACE ARNDT.

Mr. ALLOTT. Mr. President, with respect to the pending amendment, I desire to offer an amendment which contains four parts. The first is that in line 19, on page 3, the word "five" be changed to "ten."

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from South Dakota?

Mr. CASE of South Dakota. Will the Senator yield for a unanimous-consent request?

Mr. ALLOTT. I yield.

Mr. CASE of South Dakota. I am advised that what the Senator from Colorado desires to do is to suggest some changes in the amendment offered by the Senator from Kansas [Mr. CARLSON], which would change the period of years on which the base would be established from 5 years to 10 years, and the period on which the county base would be established—

Mr. ALLOTT. If the Senator from South Dakota does not mind, I would prefer to offer my amendment. Then I shall be happy to yield to him. The second portion of my amendment is on page 4, line 11, to strike out the word "five" and insert in lieu thereof the word "ten."

Mr. MORSE. Mr. President, in what line is that?

Mr. ALLOTT. Page 4, line 11. The third part of the amendment is on page 4, line 19, to strike out the word "three" and to insert in lieu thereof the word "ten."

The fourth part is on page 4, line 22, to strike out the word "three-year" and insert in lieu thereof the word "ten-year."

I now yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I thought it would save time for everyone if it were understood that the amendment is agreeable to the Senator from Kansas [Mr. CARLSON], who offered the original amendment. If that were understood, unanimous consent could be given that he accept the amendment as a modification of his amendment, notwithstanding the fact that the yeas and nays have been ordered.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. CARLSON. I discussed the amendment previous to the closing of the debate on my amendment. I agreed to accept the amendment. If it is not in violation of parliamentary procedure, I should like to ask unanimous consent that the Senator's proposed changes in my amendment may be adopted as a part of the pending amendment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Kansas [Mr. CARLSON] that he may accept the amendment offered by the Senator from Colorado [Mr. ALLOTT] as a modification of the pending amendment?

Mr. ELLENDER. Mr. President, reserving the right to object, do I understand that this suggested procedure would save time?

Mr. CARLSON. That is correct.

Mr. ELLENDER. I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is modified accordingly. The yeas and nays have been ordered on the amendment under consideration. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. CARLSON], as modified.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bricker	Clements
Allott	Bush	Cotton
Anderson	Butler	Curtis
Barkley	Byrd	Daniel
Barrett	Capehart	Dirksen
Beall	Carlson	Douglas
Bender	Case, N. J.	Duff
Bennett	Case, S. Dak.	Dworshak
Bible	Chavez	Eastland

Ellender	Kerr	Pastore
Ervin	Knowland	Payne
Wanders	Kuchel	Potter
Frear	Langer	Purtell
Fulbright	Lehman	Robertson
George	Long	Russell
Goldwater	Magnuson	Saltonstall
Gore	Malone	Schoeppel
Green	Mansfield	Scott
Hayden	Martin, Iowa	Smathers
Hennings	Martin, Pa.	Smith, Maine
Hickenlooper	McCarthy	Smith, N. J.
Hill	McClellan	Sparkman
Holland	McNamara	Stennis
Hruska	Millikin	Symington
Humphrey	Monroney	Thurmond
Ives	Morse	Thye
Jackson	Mundt	Watkins
Jenner	Murray	Welker
Johnson, Tex.	Neely	Wiley
Johnston, S. C.	Neuberger	Williams
Kennedy	O'Mahoney	Young

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, out of the time allotted to me on the bill I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I should like to ask the distinguished Senator from Kansas to yield to me for several questions, if I may, because it seems to me that may be the quickest way to get the information into the RECORD.

The first question is, What happens to those farmers who plant 15 acres or less of wheat and, therefore, do not vote and are not cooperators under the terms of the 1938 act, as amended?

Mr. CARLSON. I would say to the Senator from Florida that they are in the same position under this proposal as they are under the pending agricultural bill.

Mr. HOLLAND. How do they obtain certificates? Under what provision of the bill? Will the Senator be good enough to point that out for the RECORD?

Mr. CARLSON. Under the pending amendment, the Secretary of Agriculture issues allocations to States, to counties, and to individual farmers, just as it is done at the present time.

Mr. HOLLAND. Of course, the Senator knows that those who have less than 15 acres of wheat have no acreage allotment.

Mr. CARLSON. That is correct; and they would not have an acreage allotment under the amendment, unless they wished to.

Mr. HOLLAND. Suppose they wanted to have a price support in the same proportion on their allotment as the other producers are allowed? How could they accomplish that under the proposed amendment?

Mr. CARLSON. They would have to get their allocations. They would not be entitled to any benefits unless they were under the program.

Mr. HOLLAND. Is the Senator telling us that, insofar as wheatgrowers who have 15 acres or less in wheat are not under the program and cannot receive a certificate, they would not, therefore, participate in the 100-percent support for the same percentage of their crops the larger growers would have?

Mr. CARLSON. I think I should invite the Senator's attention to paragraph (c) on page 4 of the amendment, from which I read:

(c) The county domestic food quota for wheat shall be apportioned by the Secretary,

through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any 1 or more of the 3 calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of the normal yield of the acreage planted to wheat during such 3-year period.

The reserve provided under subsection (b) —

That is what we have under the present law —

shall be used to adjust farm quotas which the committee determines to be inequitable on the basis of tillable acres, crop rotation practices, type of soil, and topography.

Mr. HOLLAND. On looking at section 380 (d) I find no provision whatever which appears to me to include those who plant 15 acres of wheat or less. I should like to ask the distinguished Senator to point out in section 380 (d) any words which he thinks would permit the small growers to participate.

Mr. CARLSON. The Senator does not contend that the 15-acre farmer at the present time is outside acreage allotments; does he? The only thing he is free from is penalty.

Mr. HOLLAND. Is it the intention of the distinguished Senator to say that under section 380 (d) the small growers are given the same chance to get marketing certificates as are the large growers?

Mr. CARLSON. It is not only my understanding, but I think that is the way it is going to work.

Mr. HOLLAND. I am not clear on this, but it appears to me on looking at the wording that it applies only to those growers who are under quota. My understanding is that it would not clearly permit the small growers to come under the marketing provision.

Mr. CARLSON. Under this amendment, marketing quotas are prohibited.

Mr. HOLLAND. Mr. President, I go to the next point, although I am not fully satisfied on the point I have raised, I may say to my distinguished friend.

On the next point I should like to ask this question: Is it the understanding of the Senator from Kansas that the amendment would allow 100-percent price supports on all that portion of the domestic production of wheat by the cooperators which would be used for domestic food purposes?

Mr. CARLSON. That is correct.

Mr. HOLLAND. Is it the Senator's understanding that that would constitute a little more than half of the normal average crop of wheat?

Mr. CARLSON. I understand that last year there was a production of some 983 million bushels of wheat —

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. KNOWLAND. Mr. President, I yield 5 additional minutes to the Senator from Florida.

Mr. HOLLAND. Then the Senator is of the opinion that slightly more than half of the total production of a normal year goes into domestic consumption as human food?

Mr. CARLSON. That is correct.

Mr. HOLLAND. At 100 percent?

Mr. CARLSON. Yes.

Mr. HOLLAND. Is it the Senator's intention to provide a support price for all the rest of the wheat crop not used for human food; namely, feed, seed, and for export, which could not be less than the support price for corn in that particular year? Is that the Senator's intention?

Mr. CARLSON. That is correct.

Mr. HOLLAND. The Senator knows, does he not, that the support price for corn this year is 81 percent?

Mr. CARLSON. That is correct.

Mr. HOLLAND. May I ask the distinguished Senator if this conclusion is not inescapable: Since slightly more than half of the entire crop will have a 100 percent price support under his amendment, and slightly less than half of it will have a price support in this year of 81 percent of parity, the average will be more than a 90 percent of parity support for the entire wheat crop this year?

Mr. CASE of South Dakota. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am addressing my question to the distinguished Senator from Kansas. I shall be glad to yield later to the Senator from South Dakota if I have the time remaining.

It seems to me, Mr. President, inescapable that the program advanced by the able Senator from Kansas comprises a more than 90 percent price support this year—90½ percent, as the able Senator from Rhode Island suggests—and will be greater if we estimate that the amount of wheat for human food will exceed 50 percent of the total.

The Senator recalls, of course, that the Senate has already rejected a price-support program of 90 percent for this year. How does the Senator expect the Senate, in view of the philosophy it has followed, to adopt a program which confessedly supports wheat at more than 90 percent of parity for the entire production?

Mr. CARLSON. I think the Senator is absolutely incorrect in that statement.

Mr. HOLLAND. Will the Senator explain just what price support for this particular year the Senator's amendment proposes to provide?

Mr. CARLSON. In the first place, the Secretary would set the figure. It would not go into effect until 1957, if two-thirds of the farmers voted for the amendment I have offered in lieu of the amendment in this particular section. Then the Secretary, even if two-thirds of the farmers of the Nation voted for this type of program, determined it should not be placed into effect, he could do so. That amendment was adopted as part of my amendment. No one knows what the corn parity price will be in 1957.

Mr. HOLLAND. We know what it is for this year. It is 81 percent.

Mr. CARLSON. It will not go into effect this year.

Mr. HOLLAND. I thought it had already been announced this year as 81 percent.

Mr. CARLSON. For corn, probably; but this particular piece of proposed legislation will not go into effect this year.

Mr. HOLLAND. Will the Senator from Kansas tell me what the amendment envisages?

Mr. CARLSON. The amendment provides only for a referendum among the wheatgrowers of the Nation for 1957. If they want to enter into this type of program, two-thirds of the wheat farmers of the Nation must vote for it. The Secretary of Agriculture then can place it into effect. But if he says it should not go into effect, it will not go into effect.

Mr. HOLLAND. Is this, then, a correct interpretation of the Senator's amendment, remembering that the support price this year for wheat is set at 76 percent—

Mr. CARLSON. That is correct.

Mr. HOLLAND. That the growers would be asked whether they would prefer a continuance of the 76-percent program, under which they get 76 percent, or want a program under which they would get 81 or 91 percent, which is something new?

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. KNOWLAND. Mr. President, I yield 5 additional minutes to the Senator from Florida.

Mr. CARLSON. There is no possibility, in my opinion, of this program providing 90 percent of parity or more even for wheat used for human consumption, for the reason that the feed price of grain today, on the average, is less than that. The farmers would be fortunate if they got 75 percent.

Mr. HOLLAND. In other words, the Senator feels, does he, that although the price support for corn is 81 percent this year, and although we are trying to provide a remedial measure under which the values of farm prices will increase instead of diminish, it is not proper to consider that for next year, 1957, 81 percent of parity or more would be the price support for corn?

Mr. CARLSON. Of course, I cannot anticipate that. I do not know what it would be. The farmers are now voting on this program. They voted in 1954 whether they wanted to go from 90 percent to 82 percent, and last year from 82 percent to 76 percent.

It is not easy to tell a wheat farmer, "Either you will take 50 percent, or else you will take what we are offering." Why is it not fair to let them vote whether they want to try this type of program?

Mr. HOLLAND. Without differing unequivocally with the Senator as to whether a referendum should be held or not, the referendum which was held last year, for example, was on the question of whether wheat was to have a 76 percent price support or, instead, cut off price support altogether.

Mr. CARLSON. Or to go back to 50 percent.

Mr. HOLLAND. Here it is proposed to have a referendum as to whether the farmers want to stay under the present system or change to a system under which they would be provided a 90 percent price support.

Mr. CARLSON. On page 11, line 20, the amendment provides:

(2) The price levels at which corn and other feed grains are being supported and

the feed value of such grains in relation to wheat.

That provision must be taken into consideration by the Secretary of Agriculture.

Mr. HOLLAND. I think we understand that. The point I am getting at is that if the price of corn did not go up, even if the program were not successful in any measure at all to raise the price of corn to the farmers, the corn farmers would still have an 81 percent support price. If that were made applicable under the program, I call attention to the fact that the present average price support would be above 90 percent. It seems to the Senator from Florida that the amendment is worse, even, than the one which the Senate already has rejected.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. I think there might be a modification of the conclusion which the Senator has reached, when he recalls that corn is supported at different prices according to the area in which it is grown. The 81 percent applies only to the commercial corn area. Corn grown in the noncommercial corn areas is supported at a lower rate. I think it is 75 percent of the rate in the corn area.

Then, when the Daniel amendment is applied, it seems to me that the feed grain is a proportion of the corn. So I do not think one would get the full 81 percent figure for the comparison.

Mr. HOLLAND. I thank the distinguished Senator for his comment. I think the Senator is also overlooking the fact that in the case of wheat, there is a noncommercial area; and under the bill it is proposed to be enlarged considerably above what it is now.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MORSE. I should like to have the attention of the Senator from South Dakota also, because I think what I am about to say will supplement the point he has just made.

I call to the attention of the Senator from Florida that, according to my understanding, the corn price at \$1.40 as of now is comparable to 81 percent of parity for corn. But \$1.40 for wheat, which is what the wheat producers would get under the existing formula, would be about 60 percent of parity for wheat. That is, \$1.40 wheat compared with the \$1.40 corn is a much lower parity for wheat than it is for corn.

One dollar and forty cent corn is about 81 percent of parity for corn; but \$1.40 for wheat would be about 60 percent of parity for wheat.

I do not think that in his 90-percent figure the Senator from Florida has taken into account that the formula pegged to the price of corn is on the basis of dollars and cents per bushel.

Mr. HOLLAND. My understanding is that it is predicated upon the feed value; and the feed value of wheat is closely comparable with that of corn.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The time of the Senator from Florida has expired.

The question is on agreeing to the amendment offered by the Senator from Kansas, as modified by the proposal of the Senator from Colorado [Mr. ALLOT]. The clerk will read the amendment as modified.

The legislative clerk read as follows:

On page 3, line 14, it is proposed to insert the following new section 102a:

"WHEAT—DOMESTIC PARITY"

"SEC. 102a. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: 'Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates'; (2) by changing the designation of subtitle D thereof to read as follows: 'Subtitle E—Miscellaneous Provisions and Appropriations'; and (3) by inserting after subtitle C a new subtitle D, as follows:

"SUBTITLE D—WHEAT MARKETING CERTIFICATES"

"LEGISLATIVE FINDINGS"

"SEC. 380a. Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced and consumed within the confines of any State is normally comingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of intrastate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

"DOMESTIC FOOD QUOTA"

"SEC. 380b. Not later than July 1 of each calendar year the Secretary shall determine and proclaim the domestic food quota for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

"APPORTIONMENT OF DOMESTIC FOOD QUOTA"

"SEC. 380c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 percent thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of the total production of wheat in each State during the 10 calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for adverse weather conditions and for trends in production during such period. The reserve quota set aside herein for apportionment by the Secretary shall be

used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat during the 5 calendar years immediately preceding the calendar year in which the quota is proclaimed.

"(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 percent thereof for apportionment as provided in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the 10 calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for adverse weather conditions and for trends in production during such period.

"(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the 10 calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of the normal yield of the acreage planted to wheat during such 10-year period. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of tillable acres, crop-rotation practices, type of soil, and topography.

"MARKETING CERTIFICATES

"SEC. 380d. (a) The Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the county domestic food quota. Such certificates shall be issued to cooperators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 380c of this act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates in such quantities as may be required to persons processing wheat into food products. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

"(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 380b of this act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price and the estimated farm price for wheat, and (2) the value of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of the marketing certificate shall be computed to the nearest cent. The proclamation required by this subsection shall be made during the month of June immediately preceding the marketing year for which such domestic food quota is proclaimed.

"(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made

during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

"MARKETING RESTRICTIONS

"SEC. 380e. (a) Except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 380 of this act have been acquired by such person.

"(b) Except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 380d of this act have been acquired by such person.

"(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

"(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

"(e) As used in section 380e of this title, the term "marketing" means the sale and the delivery of the food product composed wholly or partly of wheat.

"CONVERSION FACTORS

"SEC. 380f. The Secretary shall ascertain and establish conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

"CIVIL PENALTIES

"SEC. 380g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 380e of this act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"ADJUSTMENTS IN DOMESTIC FOOD QUOTAS

"SEC. 380h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand

for wheat. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic food quota for wheat is increased under this section, each farm quota for wheat shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 380d of this act. In case any domestic food quota for wheat is suspended under this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 380d of this act.

"REPORTS AND RECORDS

"SEC. 380i. (a) The provisions of section 373 of this act shall apply to all persons, except wheat producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

"REFERENDUM

"SEC. 380j. In the referendum held pursuant to section 336 of this act on the national marketing quota proclaimed for the 1957 crop of wheat, the Secretary shall also submit the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program, the Secretary may, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for the 1957 and subsequent wheat crops under the provisions of this subtitle, in which event marketing quotas and acreage allotments shall not be in effect for wheat under subtitle B.

"PRICE SUPPORT

"SEC. 380k. Notwithstanding any other provision of law—

"(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

"(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement relating to wheat to which the United States is a party, (4) foreign trade policies of friendly wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

"(c) Compliance by the producer with acreage allotments, production goals, and marketing practices (excluding marketing quotas) may be prescribed and required by the Secretary as a condition of eligibility for

price support and for the receipt of wheat marketing certificates."

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in the State, and, if present and voting, he would vote "nay."

The result was announced—yeas 54, nays 39, as follows:

YEAS—54

Allott	Hayden	Monroney
Barkley	Hennings	Morse
Barrett	Hill	Mundt
Beall	Hruska	Murray
Bible	Humphrey	Neely
Carlson	Jackson	Neuberger
Case, S. Dak.	Johnson, Tex.	O'Mahoney
Chavez	Johnston, S. C.	Russell
Clements	Kerr	Schoeppel
Curtis	Langer	Scott
Daniel	Lehman	Sparkman
Douglas	Long	Stennis
Dworshak	Magnuson	Symington
Ellender	Mansfield	Thurmond
Ervin	McCarthy	Thye
Frear	McClellan	Welker
Fulbright	McNamara	Wiley
George	Millikin	Young

NAYS—39

Aiken	Eastland	Martin, Iowa
Anderson	Flanders	Martin, Pa.
Bender	Goldwater	Pastore
Bennett	Gore	Payne
Bricker	Green	Potter
Bush	Hickenlooper	Purtell
Butler	Holland	Robertson
Byrd	Ives	Saltonstall
Capehart	Jenner	Smathers
Case, N. J.	Kennedy	Smith, Maine
Cotton	Knowland	Smith, N. J.
Dirksen	Kuchel	Watkins
Duff	Malone	Williams

NOT VOTING—2

Bridges Kefauver

So Mr. CARLSON's amendment, as modified, was agreed to.

Mr. CARLSON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. YOUNG. Mr. President, I move to lay on the table the motion to reconsider.

Mr. MORSE. I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Kansas to reconsider the vote by which the amendment was agreed to.

The motion to lay on the table was agreed to.

Mr. RUSSELL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. Does the Senator from Georgia desire to have the amendment stated, or does he request that the amendment be printed at this point in the RECORD?

Mr. RUSSELL. Mr. President, I have no desire to have the amendment read in its entirety.

The PRESIDING OFFICER. Very well; then, instead of having the amend-

ment read, it will be printed at this point in the RECORD.

The amendment submitted by Mr. RUSSELL is as follows:

On page 46, between lines 5 and 6, insert a new title as follows:

"TITLE VI—COTTON

"SEC. 601. Part IV of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"PART IV—COTTON MARKETING CERTIFICATES

"LEGISLATIVE FINDINGS

"SEC. 341. American cotton is a basic source of clothing and industrial products used by every person in the United States and by substantial numbers of people in foreign countries. American cotton is sold on a worldwide market and moves from the places of production almost entirely in interstate and foreign commerce to processing establishments located throughout the world.

"Fluctuations in supplies of cotton and the marketing of excessive supplies of cotton in interstate and foreign commerce disrupt the orderly marketing of cotton in such commerce with consequent injury to and destruction of such commerce. Excessive supplies of cotton directly and materially affect the volume of cotton moving in interstate and foreign commerce with consequent diminution of the volume of such commerce in industrial products.

"Conditions affecting the production and marketing of cotton are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of excessive supplies and the resulting depression of prices. Existing programs of assistance to farmers have resulted in the accumulation of large surpluses in the hands of Government agencies.

"It is in the interest of the general welfare and necessary to the free flow of interstate and foreign commerce that producers of cotton be assured a fair return for their product, and that disposition in world markets of existing surpluses as well as future production in excess of domestic requirements be encouraged.

"In order to provide an adequate and balanced flow of cotton in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing cotton for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of cotton at fair prices, it is necessary to regulate all commerce in cotton in the manner provided under the marketing certificate plan set forth in this subtitle.

"DOMESTIC QUOTA

"SEC. 342. Whenever during any calendar year the Secretary determines that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year, the Secretary shall proclaim such fact and a national domestic quota shall be in effect for the crop of cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the domestic quota for cotton which shall be equal to the number of pounds of cotton which he determines will be processed in the United States during such marketing year for consumption in the United States, except that (1) for any year for which the Secretary determines that the amount of cotton owned by or pledged to the Commodity Credit Corporation exceeds 3,500,000 bales such domestic quota shall be equal to 90 percent of the number of pounds which he determines will be so processed, and (2) in no case shall such domestic quota be less than 5 billion pounds. Such proclamation shall be made not later than Octo-

ber 15 of the calendar year in which such determination is made.

"REFERENDUM

"SEC. 343. Not later than December 15 following the issuance of the proclamation provided for in section 342, the Secretary shall conduct a referendum, by secret ballot, of farmers engaged in the production of cotton in the calendar year in which the referendum is held, to determine whether such farmers are in favor of or opposed to the domestic quota so proclaimed. If more than one-third of the farmers voting in the referendum oppose the domestic quota, such quota shall become ineffective upon proclamation of the results of the referendum. The Secretary shall proclaim the results of any referendum held hereunder within 30 days after the date of such referendum.

"APPORTIONMENT OF DOMESTIC QUOTA

"SEC. 344. (a) The domestic quota for cotton shall be apportioned by the Secretary among the several States on the basis of the amount of cotton produced in such States during the 5 calendar years immediately preceding the calendar year in which the domestic quota is proclaimed, with adjustments for abnormal weather conditions during such period.

"(b) The State domestic quota for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsection (a), except that the State committee may reserve not to exceed 10 percent of its State domestic quota (15 percent in the case of Oklahoma) which shall be used to make adjustments in county allotments for trends in production, for counties adversely affected by abnormal conditions affecting planting, or for small or new farms, or to correct inequities in farm allotments and to prevent hardship.

"(c) (1) The county domestic allotment, less not to exceed the percentage provided for in paragraph (2), shall be apportioned to farms on which cotton has been planted, or with respect to which notice has been given as provided in paragraph (3), in any 1 of the 3 years immediately preceding the year for which such allotment is determined, on the basis of the highest amount of cotton produced on each such farm in any 1 of such 3 years, except that the domestic allotment for any farm on which cotton has been produced in each of the 3 years immediately preceding the year for which such allotment is determined shall not be less than 1,000 pounds.

"(2) The county committee may reserve not in excess of 15 percent of the county allotment which, in addition to the amount made available from the reserve established under subsection (b), shall be used for (A) establishing allotments for farms on which cotton was not produced, and with respect to which no notice was given in accordance with paragraph (3), during any of the 3 calendar years immediately preceding the year for which the domestic allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm domestic allotments established under paragraph (1) so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms, or in making adjustments in farm domestic allotments to correct inequities and to prevent hardships.

"(3) In any case in which, during any year for which a domestic allotment is made under this subsection, no cotton is produced on a farm for which any such allotment is made and the owner and operator of such farm shall have given notice in writing there-

of in such form and at such time as may be prescribed by the Secretary, there shall be deemed for the purposes of this section to have been produced during such year on such farms an amount of cotton equal to the amount produced on such farm in the most recent year in which cotton was actually produced on such farm. No part of the domestic allotment of any farm for any year with respect to which a notice is given under this paragraph shall be reassigned for such year to any other farm.

"(d) Notwithstanding any other provision of this section no amount of cotton produced on any farm in excess of the domestic allotment for such farm shall be taken into account in establishing future State, county, and farm domestic allotments.

"(e) State and county committees shall make available for inspection by owners or operators of farms receiving domestic allotments all records pertaining to cotton acreage allotments and marketing quotas.

"MARKETING CERTIFICATES

"SEC. 345. (a) The Secretary shall prepare for issuance in each county cotton marketing certificates aggregating the amount of the county domestic quota. Such certificates shall be issued for each farm in an amount equal to the domestic quota established for the farm pursuant to the applicable provisions of section 344 of this act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the cotton crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates in such quantities as may be required to importers of cotton products and persons processing cotton into cotton products. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

"(b) Whenever a domestic quota is proclaimed for any marketing year pursuant to section 342 of this act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price and the estimated farm price for cotton, and (2) the value of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of the marketing certificate shall be computed to the nearest cent. The proclamation required by this subsection shall be made during the month of July immediately preceding the marketing year for which such domestic quota is proclaimed.

"(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the face value thereof.

"MARKETING RESTRICTIONS

"SEC. 346. (a) All persons engaged in the processing of cotton into products composed wholly or partly of cotton are hereby prohibited from marketing any such product for domestic consumption or export containing cotton in excess of the quantity for which marketing certificates issued pursuant

to section 345 of this act have been acquired by such person.

"(b) All persons are hereby prohibited from importing or bringing into the continental United States any products containing cotton in excess of the quantity for which marketing certificates issued pursuant to section 345 of this act have been acquired by such person.

"(c) Upon the exportation from the continental United States of any product containing cotton, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of cotton so exported. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: *Provided, however*, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

"CONVERSION FACTORS

"SEC. 347. The Secretary shall promulgate rules and regulations for determining the amount of cotton contained in products processed wholly or partly from cotton, and wherever practicable shall ascertain and establish conversion factors for such purposes based upon the weight of cotton used in the processing of such products.

"CIVIL PENALTIES

"SEC. 348. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 346 of this act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"ADJUSTMENTS IN DOMESTIC QUOTAS

"SEC. 349. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for cotton, the domestic quota for cotton should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand for cotton. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic quota for cotton is increased under this section, each farm quota for cotton shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 345 of this act. In case any domestic quota for cotton is suspended under this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 345 of this act.

"SEC. 602. The foregoing provisions of this title shall be effective with respect to cotton marketed during the marketing year beginning in 1957 and subsequent marketing years.

"SEC. 603. The provisions of the Agricultural Act of 1949 relating to price support shall not be applicable with respect to cotton produced during any year in which domestic quotas are in effect under the provisions of part IV of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended.

"INAPPLICABLE TO EXTRA LONG STAPLE COTTON

"SEC. 604. The foregoing provisions of this title shall not apply to extra long staple cotton which is produced from pure strain varieties of the *Barbadense* species, or any

hybrid thereof, or other similar types of extra long staple cotton designated by the Secretary having characteristics needed for various end uses for which American upland cotton is not suitable, and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of such varieties or types, and the existing provisions of part IV of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, insofar as they relate to such extra long staple cotton, shall continue in effect as though this title had not been enacted.

"QUOTA FOR COTTON PRODUCTS

"SEC. 605. (a) In addition to any other tax or duty imposed by law, there is hereby imposed upon articles imported into the United States from any foreign country, which are manufactured in whole or in part from cotton, a tax of 12 cents per pound on the cotton contained in such articles.

"(b) The tax imposed by this section shall be collected only in the case of articles imported into the United States, from a foreign country during any calendar year beginning after December 31, 1956, after there shall have been imported into the United States from such country during such calendar year articles containing an amount of cotton equal in weight to the amount of cotton contained in articles manufactured in whole or in part from cotton and imported into the United States during the calendar year 1952.

"(c) The taxes imposed by this section shall be levied, assessed, collected, and paid in the same manner as a duty imposed by the Tariff Act of 1930 and shall be treated for the purposes of all provisions of law relating to the customs revenue as a duty imposed by such act."

Mr. RUSSELL. Mr. President, instead of having the amendment read in its entirety, I can simply say that the amendment undertakes to apply to cotton the same wise and salutary provisions we have just voted to have applied to wheat.

The PRESIDING OFFICER. The Senator from Georgia has 1 hour under his control on the amendment. How much time does he yield to himself?

Mr. ELLENDER. Mr. President, will the Senator from Georgia yield briefly to me?

Mr. RUSSELL. I yield to the chairman of the committee, if in doing so I do not prejudice my right to the floor.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. Mr. President, last week I submitted an amendment to strike out the rice title of the bill. However, in view of the vote today on the two-price system on wheat, I see no good purpose in striking the rice title from the bill, because we might just as well treat one commodity in the same way that we treat another. Under the circumstances, although I will vote against the amendment of the Senator from Georgia [Mr. RUSSELL], I shall certainly interpose no objection to the amendment; and so far as I am concerned, we can proceed to vote on the amendment without having very much discussion of it, because the Senate has fairly well indicated its feelings and its viewpoint with respect to the two-price system.

Mr. RUSSELL. Mr. President—
The PRESIDING OFFICER. How much time does the Senator from Georgia yield to himself?

Mr. RUSSELL. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 15 minutes.

Mr. RUSSELL. Mr. President, I shall not take very much of the time of the Senate to discuss the gravity of the situation confronting the Senate as it deals with farm legislation.

Mr. President, regardless of whether Senators have favored rigid supports or flexible supports of the soil-bank plan, there is not a Member of this body who does not know that a very grave sickness is afflicting the agricultural economy of our Nation. That is the reason for the farm bill. The RECORD is full of statements and statistics which have been provided by Senators who have compiled them, showing the dire need for drastic remedial measures to restore the American farmer to the prosperity which the rest of the American people are enjoying today.

As I set forth in the brief statement I made in support of the wheat amendment, I am convinced that neither the 90 percent of parity system nor the flexible support system is the answer to the farm problem, because in time it will be necessary to get the Government out of the farming business, insofar as handling huge farm crops is concerned. The system we have voted to employ for wheat, and which I now propose be employed with respect to cotton, will accomplish that purpose.

Mr. President, my amendment proposes that the domestic parity program be applied to cotton. I supported the wheat amendment; but I say with all due deference that it is much simpler to apply the program to cotton than it is to apply it to wheat, because of the fact that in the case of cotton we do not have the complication of competing feed grains involved in the production, over and above the domestic consumption. I am satisfied that that problem can be eliminated with respect to wheat. I am glad that it does not exist with respect to cotton, because all the cotton consumed domestically in the United States must be processed. None of it is used for food, and none of it is consumed unless it has been processed by fabricators, who will be compelled to purchase certificates, just as certificates will be purchased in the case of wheat purchased for milling, which provides the main basis of support for the amendment which has just been adopted.

Mr. President, I can see no conceivable objection which can be raised with respect to this amendment, in view of the action the Senate has just taken on the wheat amendment. In fact, Mr. President, I go a little further than did my friend, the Senator from Kansas, in the case of the wheat amendment. In the case of this amendment, Mr. President, I provide that the domestic allotment shall be only 90 percent of the 10 million bales, so that the Government will be able to work off 1 million bales of the surplus at full parity in the domestic

consumption, until the cotton carryover is reduced to 3½ million bales, which is below the average normal carryover in the United States.

By means of this amendment, I provide for the Government an opportunity to dispose of the surplus cotton at full parity under a reasonable program of 1 million bales a year, in addition to the amount which can be sold in export.

Mr. President, the time has passed when we should, by means of a bill passed by this body—and to the detriment of American wheat farmers and cotton farmers—hold over the heads of the producers in other lands—some of whom maintain their operations with American dollars which were wrung from the same American farmers—an umbrella which will enable the producers in foreign lands to increase their production, and to do so at the expense of the American farmers, and thus take away the foreign markets which for so long have been an integral part of our agricultural economy. Our cotton farmers have not enjoyed an agreement similar to the International Wheat Agreement, because we were never able to reach an international accord with respect to cotton.

But, Mr. President, this amendment, simply stated, guarantees to the farmer full parity for the domestic consumption of cotton. It takes the Government completely out of the loan and support fields, when dealing with cotton. The amendment will permit all the cotton to move in the domestic market at the world price level, without any let or hindrance or Government interference.

Mr. YOUNG. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Would not it amount to holding an umbrella over the world market, if we set the price at 75 percent or 80 percent of parity?

Mr. RUSSELL. Of course, with respect to world production.

Mr. YOUNG. Once the price is set at 75 percent or 80 percent of parity—or at 87 percent of parity, as the Secretary of Agriculture proposes—that price becomes the world price.

Mr. RUSSELL. Yes; for about the 1 percent of cotton sold on the world market that is produced in the United States.

Mr. YOUNG. That will be the case, insofar as the foreign producers of cotton are concerned, because they can produce cotton so much more cheaply than cotton can be produced in the United States, can they not?

Mr. RUSSELL. Oh, yes; because their labor costs are so much lower.

Mr. President, when in our country a minimum wage of \$1 an hour was fixed for farmworkers, as their wages, that doubled or tripled the wages which theretofore had been paid. I am glad to have that done, for the sake of the workers; but that increases the cost of producing cotton and reduces the revenue the farmers receive from the production of cotton; and at the same time the revenue the farmers receive from the sale of their other products has been decreasing.

Mr. DOUGLAS. Mr. President, will the Senator from Georgia yield to me for some questions?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from Illinois.

Mr. DOUGLAS. I have read the amendment of the Senator from Georgia. I wonder whether he will be willing to clear up some points about it which have caused me some uncertainty.

Mr. RUSSELL. I shall be happy to undertake to do so to the best of my ability.

Mr. DOUGLAS. Do I correctly understand that in effect the Senator from Georgia is proposing for cotton what the Senator from Kansas [Mr. CARLSON] proposed for wheat?

Mr. RUSSELL. I propose essentially a referendum of the cotton farmers as to whether or not they desire to apply this system. Two-thirds of them must vote in the affirmative before the plan becomes applicable.

Mr. DOUGLAS. And if they do vote in the affirmative, the domestic proportion of the consumption will be supported at 100 percent of parity.

Mr. RUSSELL. The Senator is correct; through the certificate program, as in the case of wheat.

Mr. DOUGLAS. To be paid for by what would be, in effect, a processing tax.

Mr. RUSSELL. That is correct.

Mr. DOUGLAS. Can the Senator from Georgia tell us what proportion of the cotton crop is consumed domestically?

Mr. RUSSELL. It varies with the years, but the average over the past few years has been 10 million bales.

Mr. DOUGLAS. Is that the annual production?

Mr. RUSSELL. No. That is the annual consumption.

Mr. DOUGLAS. Domestically?

Mr. RUSSELL. Yes. It has been as high as 12 million bales, and as low as 9 million bales, but the average is about 10 million bales.

Mr. DOUGLAS. What is the average amount exported?

Mr. RUSSELL. The export, prior to the time the Government stopped exporting the cotton it was holding, ran anywhere from 3 to 5 million bales.

Mr. DOUGLAS. So, in effect, we consume two-thirds, or probably closer to three-quarters, of the cotton we produce, whereas we consume only about one-half of the wheat we produce.

Mr. RUSSELL. That is correct. I may say that historically, back in the 1920's, and for 80 years prior to 1930, we exported about half the cotton crop, but since that time we have lost our world markets because of the fact that cotton was produced in some of the lowest cost agricultural areas of the world.

Mr. DOUGLAS. As I remember, last week the Senator from Vermont read a letter from the Secretary of Agriculture in which the Secretary of Agriculture declared that it would be his policy to support cotton at something like 86 or 87 percent of parity for the coming year. Did I hear that correctly?

Mr. RUSSELL. I understand that is correct.

Mr. DOUGLAS. Would the amendment of the Senator from Georgia supersede that program?

Mr. RUSSELL. It would not for this year. My amendment would be applicable only in 1957. If the amendment is extended over a 2-year period, it will affect the crop for the next year, 1957.

Mr. DOUGLAS. For 1956 then, about three-fourths of the cotton production would be supported at 100 percent of parity. I suppose the foreign market would be supported at 86 percent of parity, so we would have an average support price of well over 90 percent.

Mr. RUSSELL. No. If this amendment goes into effect in 1957, the 86 percent to which the Senator refers will be completely eliminated.

Mr. DOUGLAS. What about 1956?

Mr. RUSSELL. It would not be applicable in 1956. It would go into effect only if two-thirds of the farmers should vote favorably in a referendum to be held in the fall of this year.

Mr. DOUGLAS. So there would be no change in the present act so far as the current crop is concerned.

Mr. RUSSELL. The Senator is correct. We do not take as good care of the cotton farmer as we take of the wheat farmer. For his production in excess of domestic consumption, we do not give the cotton farmer any supports.

Mr. DOUGLAS. So the Senator would allow the price in the foreign market to be settled at a competitive level.

Mr. RUSSELL. That is correct. Cotton exported would be sold at the world market, if it is production over domestic needs.

Mr. DOUGLAS. Has the Senator any idea what the price would have to be to enable us to sell a quarter of our cotton in the foreign market, and work off some of the surplus?

Mr. RUSSELL. I would not venture a guess. We shall soon know, if the Secretary of Agriculture puts into effect the program he has now. Heretofore, for the past several years, the world price has been 50 points, or half a cent a pound under the American support. Those who call this a dumping program should be violently opposed to the Secretary of Agriculture selling anything overseas now, because this new program of the Secretary's is a dumping program.

Mr. DOUGLAS. The doubt in the mind of the Senator from Illinois is this: He feels that a 90 percent price support figure is approximately correct, but he is very dubious about percentages of support in excess of 90 percent, for this reason. In agriculture we have undoubtedly had a greater increase in productivity per man-hour in recent times than in manufacturing. We should consider the relative labor costs per unit of output rather than merely the relative exchange value, so to speak. In view of the great agricultural improvements and the great lowering of production costs, even with labor properly paid—and I want it to be properly paid—there is a real question in my mind as to whether we should peg the price in excess of 90 percent of parity.

Mr. RUSSELL. If the American cotton farmer is compelled to sell one-third of his cotton crop for as little as 15 to 18 cents a pound in world trade, he is

certainly entitled to 100 percent of parity with respect to domestic consumption, just as the wheat farmer is.

Mr. DOUGLAS. After some uncertainty I voted for the amendment of the Senator from Kansas [Mr. CARLSON] in the case of wheat, because in that instance the crop is divided, roughly, 50-50. That means that although one-half the crop is supported above 90 percent, the average support price would not be above 90 percent of parity. But if, in the case of cotton, three-quarters of the crop is for domestic consumption and one-quarter for export, a price support of 100 percent for domestic consumption would have much greater influence than it would have in the case of wheat and the average support price would be above 90 percent of parity.

Mr. RUSSELL. If this amendment is agreed to, the American cotton farmer will recapture the foreign markets, and the ratio will soon be 50-50. There would be no acreage control.

Mr. DOUGLAS. Would the acreage control be eliminated completely?

Mr. RUSSELL. The acreage control would be completely eliminated. The cotton farmer would receive an allotment based upon poundage, with the provision that no small farmer shall have an allotment less than a thousand pounds, which is two bales. The allotment is based upon poundage. If he grows more than his domestic allotment, for consumption in this country, he does so at his peril, and must sell at the world price.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. RUSSELL. Mr. President, I yield myself 10 more minutes.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HUMPHREY. The proposal for bringing the element of poundage into the farm program as a means of control was recommended again and again in our hearings throughout the country. We found that no matter how much acreage control we tried to use, acreage restrictions did not necessarily translate themselves into restrictions of quantity of production, because of the use of fertilizer and modern farming practices. So the idea of using poundage is good, just as the idea of bushelage was good in terms of wheat. Furthermore, I think the fact should be made clear that under the Senator's program there would be no Government storage.

Mr. RUSSELL. There would be no Government storage at all. We would eliminate the charge of \$1 million a day for storage, under this amendment, as soon as we worked off the surplus. The farmers would have to take a reduction in production amounting to 1 million bales a year to allow the Government to get 1 million bales into domestic consumption.

Mr. HUMPHREY. With a control on poundage, we would eliminate the necessity for storage, and the ultimate cost of storage.

Mr. RUSSELL. Also we would eliminate the purchase of vast quantities of cotton by the Government.

Mr. HUMPHREY. We would also liquidate certain specialized programs of the Government, such as that under Public Law 480, under which we are supposedly doing business in foreign markets, but in an unusual manner. We accept soft currencies, when we are not utilizing them to good advantage. Would this proposal not place foreign trade on a regular market basis, as between exporters and importers? Would it not get away from much of the Government-to-government business?

Mr. RUSSELL. Instead of the Government selling cotton in the markets of the world, the people who handle cotton would be selling it in the markets of the world. Let me say to those who talk about getting the Government out of business that this is an opportunity to do so.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. EASTLAND. There is to be a referendum or election in the fall. Let us assume that this amendment is adopted. What will the election be in the fall of 1956?

Mr. RUSSELL. It will be as to whether or not the cotton farmers of the Nation wish to accept the domestic parity plan, which provides for supports on their domestically consumed cotton, and no supports on what they produce over and above their domestic allotments.

Mr. EASTLAND. What else will there be on the ballot? What will the other choice be?

Mr. RUSSELL. If the farmers vote it down, they will revert to the existing law. No; I was in error on that statement. It would be the same as if today they had voted down acreage allotments and marketing quotas.

Mr. EASTLAND. If the farmers did not vote for this domestic parity plan, then what would be the support price?

Mr. RUSSELL. It would be—

Mr. EASTLAND. Fifty-three percent?

Mr. RUSSELL. Anywhere between 52 and 75 percent of parity, depending on what the Secretary of Agriculture would wish to fix.

Mr. EASTLAND. According to my understanding of the amendment—

Mr. RUSSELL. I understand what the Senator is driving at. He wants to make possible an option in the election as between this program and the program which is now contained in the bill for cotton. Is that correct?

Mr. EASTLAND. That is what I thought the proposal was.

Mr. RUSSELL. I should be glad to accept an amendment which would bring that about.

Mr. EASTLAND. I have such an amendment. I should like to ask this question of the Senator from Georgia. If the amendment is adopted, what will the support price of cotton be?

Mr. RUSSELL. The Senator from Mississippi knows more about what the parity is today than I do. What is the parity on cotton? The Senator is one of our great cotton experts.

Mr. EASTLAND. No, I am not an expert. I do not know. It is 36 or 37 cents a pound, as I understand.

Mr. RUSSELL. Thirty-six or 37 cents a pound; somewhere in that neighborhood.

Mr. EASTLAND. In the Senator's judgment, what effect would a domestic price level like that for cotton have on the synthetic fiber production in this country?

Mr. RUSSELL. I do not think it would have any great effect. In my opinion, cotton has run the gamut, and the synthetic fiber field is very well established, as is the cotton field very well established. I do not share the view of those who hold that we must cut down the price of cotton in the market until all the small cotton farmers are eliminated, because of a fear of the synthetics.

Mr. EASTLAND. No one wants to do that. However, is it not correct to say that beginning on January 1, 1955, contracts were let totaling \$155 million for new synthetic plant construction?

Mr. RUSSELL. I am not aware of that. However, I do not hold with the fears of those who have raised that specter.

Mr. EASTLAND. Does not the Senator know that scientists claim that a 2½- or 3-cent reduction in the price of cotton would prevent further synthetic production?

Mr. RUSSELL. I know that some Senators claim that a reduction in the price of cotton of from 2½ cents to 3 cents a pound would stop the onward march of synthetics. I shall not vote to cut the price of cotton by 2½ or 3 cents a pound merely because of the fear of the synthetics, when I know that the small farmer cannot produce enough cotton to exist.

The largest field for synthetics today is the tire field. Even if we cut the price of cotton by 15 cents, we could never recapture for cotton the tire field from the synthetics. Synthetic rayon, for instance, possess certain qualities, such as tensile strength, which are not possessed by cotton.

Mr. EASTLAND. What the Senator from Georgia says is true. There are special properties of synthetic fibers with which cotton cannot compete. That is also true in the paper trade. There are certain uses for which paper has displaced cotton. However, in the fields in which they are competitive, does not the Senator agree with me that a price reduction of from 2½ cents to 3 cents a pound will prevent a tremendous expansion of synthetic fiber production?

Mr. RUSSELL. I do not accept that philosophy at all. I know this much, that an increase of 3 cents a pound in the case of cotton, while it is large enough to benefit the little cotton grower, does not amount to more than a half cent in the price of a shirt or other garment. It amounts to very little in connection with most cotton wrappings.

Mr. EASTLAND. It may not amount to very much on the retail level, but does not the history of the textile industry show that it does make a difference in the spinning, for example, because the rayon fiber is mixed in with the cotton fiber, and that that is one of the reasons for the tremendous expansion of the rayon production?

Mr. RUSSELL. Of course if we want to put all the cotton farmers below a certain size out of business, we might be able to recapture the market we have lost to the synthetics.

Mr. EASTLAND. I do not believe that a 2½ to 3 cent price reduction will hurt any farmer.

Mr. RUSSELL. In the case of the little farmer who makes two bales, it would take away a considerable percentage of his total annual income.

Mr. EASTLAND. It seems to me the thing that has cut his throat has been the tremendous reduction in the acreage he has had each year.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Mr. President, I should like to ask the Senator from Georgia a question from the standpoint of the New England textile industry. Some of the textile industry representatives have been in Washington and they have spoken unitedly on the problem of cotton going abroad and coming back in the form of cloth, which makes it utterly impossible for them to compete. Does not the Senator's amendment make that doubly difficult, because they must buy their cotton at the domestic price, whereas cotton is now going to go abroad at cheaper prices?

Mr. RUSSELL. I likewise have a textile industry in my State, and I have the responsibility of representing the interests of that industry on the floor of the Senate. The amendment completely takes care of the processor of cotton, whether he is in Massachusetts, in Georgia, or in North Carolina, because the amendment slaps an absolute embargo on the importation of the foreign products the Senator refers to, and rolls it back to the level of 1952. The cotton mill industry of this country would be greatly benefited by the adoption of the amendment, because it is guaranteed the primacy of the domestic market in the sale of its product.

Mr. SALTONSTALL. Does the Senator mean to say that his amendment puts a quota on the goods which are imported?

Mr. RUSSELL. Absolutely. It puts a limitation on imports, and it rolls them back to the volume of 1952.

Mr. SALTONSTALL. When the Senator says it rolls them back, does he refer to the quantity that can come in as being rolled back?

Mr. RUSSELL. That is correct. It is rolled back to what was imported in 1952.

Mr. SALTONSTALL. So that while the Senator's amendment would put the price at which the New England mill will buy the cotton at the domestic price, the amendment would place a quota on the import of cotton goods?

Mr. RUSSELL. It would prohibit the importation which our cotton processors so greatly fear. It also rolls the importation back to the level of 1952.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. RUSSELL. I yield myself an additional 5 minutes.

Mr. SALTONSTALL. When the Senator says the imports are rolled back to 1952, does he know what the importation in 1952 was as compared with what it was in 1955?

Mr. RUSSELL. No; I do not have the exact figure. I know the importations were much larger in 1955 than they were in 1952. I do not have the exact figures. However, there has been a tremendous increase during the past few years.

Mr. SALTONSTALL. However, the amendment, if adopted, would put the cost of the domestic cloth up to a higher level because the raw materials would be more expensive. Is that correct?

Mr. RUSSELL. It would to a slight extent, just as in the case of wheat. However, it would completely protect the American textile industry. It would permit it to buy for the foreign market at the world price. Therefore, it would not interfere with its competitive power to sell in the world market.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. EASTLAND. We consume in the United States 5 million bales of cotton domestically. Of that, between 500,000 and 600,000 bales are represented by exports of textiles. Has the Senator made any provision to protect those exports?

Mr. RUSSELL. As I just stated to the Senator from Massachusetts, there is a provision that if the American textile manufacturer spins cloth for the world market he does not have to pay the certificate price. He buys his cotton on the competitive level with the spinner in Manchester or Paris or Rouen, France.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SPARKMAN. A few minutes ago the question was put to the Senator as to what would happen if the elections were held and it was voted down. The farmer would be left in exactly the same shape he would be left in if the election were held last year or the year before. Is that not correct?

Mr. RUSSELL. That is correct, Mr. President, I modify my amendment on page 4, line 15, after the word "referendum", by striking out the period and adding the following language: "and the existing provisions of part IV of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, shall continue in effect with respect to the ensuing crop as though this title had not been enacted."

That would put the cotton farmer back where he would be under the existing law.

Mr. President, I now yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I may not be an expert on agricultural commodities, certainly, not on cotton, but I have checked the figures and find there is an average of 36 acres, which has been set back to 29 acres this year.

I commend the Senator from Georgia for presenting this proposal to the Senate. I think this has been a historic day in the Senate of the United States, so far as agriculture is concerned. I am con-

vinced that we shall have to start dealing with commodity after commodity. That may not be put into effect this year or the year following, but we must look forward to a program which is not based only on rigid price supports or flexible price supports. They are supposed to carry us through a depression or for a period of time. I think the Senator from Georgia is entitled to commendation for bringing his amendment before the Senate, and I shall be glad to support it.

Mr. RUSSELL. I thank the Senator from Kansas.

Mr. GOLDWATER. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. GOLDWATER. I am interested in the Senator's remarks concerning the processor paying the world price for cotton. Am I correct in that statement?

Mr. RUSSELL. Only if he processes it to sell in the world market; yes.

Mr. GOLDWATER. Does the Senator have the figures on the average certificate price?

Mr. RUSSELL. No. My amendment provides that the Secretary of Agriculture shall fix the certificate price at whatever he thinks will be an adequate amount.

The PRESIDING OFFICER. The additional 5 minutes of the Senator from Georgia has expired.

Mr. RUSSELL. I yield myself 10 more minutes, Mr. President.

Mr. GOLDWATER. Mr. President, will the Senator from Georgia yield further?

Mr. RUSSELL. I yield.

Mr. GOLDWATER. Does the Senator know the world price of cotton today?

Mr. RUSSELL. I do not, but it will run at about whatever the support price is in this country, on the average.

Mr. GOLDWATER. What I am concerned about is who pays the difference?

Mr. RUSSELL. What difference?

Mr. GOLDWATER. The difference between the certificate price and the world price.

Mr. RUSSELL. The consumer of the cotton goods pays it. It goes into the cost that the miller charges for his goods, just as in the case of wheat. I would not try to deceive the Senator or the Senate on that point. On the average cotton garment, there would be absolutely no justification for any increase whatever.

Mr. GOLDWATER. If it is consumed in the United States the Senator would be correct. What I am concerned about is who pays the loss.

Mr. RUSSELL. What loss?

Mr. GOLDWATER. The difference between the certificate price and what the processor pays for the goods at the world price. I believe there is a difference of possibly 79 cents.

Mr. RUSSELL. Does the Senator mean on the export of the processed goods?

Mr. GOLDWATER. No. I mean who pays the difference between the certificate price, or what the loan is on cotton, and the world price, which, today, is a difference of around 79 cents.

Mr. RUSSELL. There is no loan system under the amendment.

Mr. GOLDWATER. What does the certificate price indicate?

Mr. RUSSELL. I understand that if the world price of cotton were 5 or 6 cents under what it is today it would mean that the certificate cost would be a difference of 5 or 6 cents a pound.

Mr. GOLDWATER. Who would pay it?

Mr. RUSSELL. The processor who buys the certificate would pay it.

Mr. GOLDWATER. And the surplus cotton which the Government owns today—

Mr. RUSSELL. Would be worked off at the rate of a million bales a year, under this provision.

Mr. GOLDWATER. But someone has to take a loss on it.

Mr. RUSSELL. Who is taking the loss on the cotton, in the main, in Georgia and Arizona which is sold overseas today at a loss? The taxpayer is taking it today, under the present system, and he will continue to take it if we do not adopt such an amendment as I have proposed, and pass an agricultural bill.

Mr. EASTLAND. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. EASTLAND. So far as taking the loss is concerned, the Treasury of the United States is taking the loss when the price of cotton falls to 5 or 6 cents a pound.

Mr. RUSSELL. But this amendment assures that there will be no loss in the future.

Mr. GOLDWATER. Mr. President, will the Senator from Georgia yield further?

Mr. RUSSELL. I yield.

Mr. GOLDWATER. We have to grow cotton in competition with the world, and the situation which exists is that the United States has practically lost the foreign cotton market. We in the West and Southwest can compete in the foreign market, but we have been stuck with the high 90 percent of parity of which our cotton mills are not in favor. We see today the United States having lost its market. I know the intention of the Senator from Georgia is good. I know he is honestly concerned about the situation. I feel that until we get back to a competitive position not supported by the Government in any manner, shape, or form, we will never get the world market.

Mr. RUSSELL. The amendment would put us into the foreign market without any Government support. There is no limitation or restriction on planting. The cotton farmers in Arizona with whom I have talked—and it happens that I have two or three good farmer friends there—are much more concerned about the acreage reductions. This amendment would absolutely free them from any acreage reduction. It would take away from every cotton farmer anywhere in the United States any loan recourse on the Federal Government. The farmer could not put a pound of cotton under loan.

Mr. GOLDWATER. Someone must pay for it.

Mr. RUSSELL. The grower pays. From here on it does not cost the tax-

payer one thin dime. When the Senator was talking about accumulated surpluses, I said that when they are disposed of, there will be a loss. But there is not a dime for the American taxpayer to pay except for the administration of the program. There is no restriction on acreage. The Arizona farmer can produce and sell in the world market as much cotton as he pleases in competition in the world market. The farmers of Georgia will not do it; they will stay within their domestic allotment; but the Arizona farmers can produce for the competitive market with no restrictions whatever on them. The program will not cost the taxpayers a dime.

I think the Senator from Arizona will agree that whether we pass this bill or some other bill, we are going to incur some losses in disposing of the surplus.

Mr. GOLDWATER. I thank the Senator from Georgia for his explanation, although I am still a little bit in the dark as to who pays for it.

Mr. RUSSELL. No one pays for it. If the farmer produces more than his quota, he sells it at the world price.

Mr. KENNEDY. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. KENNEDY. I do not think there is any doubt that it would cause the cotton manufacturer in New England to pay more for his cotton, but my understanding is that the Senator's amendment protects him.

Mr. RUSSELL. That is correct.

Mr. KENNEDY. I understand they feel that the way in which the quota provision is drawn it will not give them protection, because it is based on quantity. It will give protection to some of the cotton mills on quantity, but not on quality. I am speaking of quality manufacturers who feel they would pay more, on the one hand, and would not be protected, on the other hand. I am wondering if it is possible to redraw the amendment so as to provide for such a situation.

Mr. RUSSELL. The amendment might have that effect. I do not know the details of that, and I do not know how to approach it, unless we say no more shirts can be imported.

Mr. KENNEDY. I have never been enthusiastic about a quota system, but if the amendment is agreed to we may have to pay more for our cotton, and I should like to see the manufacturers protected from the importation of cheaper goods.

Mr. RUSSELL. My amendment undertakes to do that. It will give them much more protection than they have at present. If some step along this line is not taken, with the price of cotton abroad as low as it is now, we have not seen anything yet in the way of imports compared with what we shall see.

Mr. KENNEDY. But will not the first part of the amendment cause the textile manufacturers to pay more for cotton?

Mr. RUSSELL. They will undoubtedly have to pay 5 or 6 cents a pound more, but they will have a monopoly of the American market.

Mr. KENNEDY. If the section dealing with quotas is not drawn so as to protect them. I can understand why they would be short-changed by the amendment.

Mr. RUSSELL. I do not see how they can possibly be short-changed.

Mr. KENNEDY. It refers about quantity and rolls the imports back to the 1952 figure.

Mr. RUSSELL. That is correct.

Mr. KENNEDY. But it does not mention the kinds of imported goods which will come into the United States from abroad. The New England manufacturers are, as of today, dealing in quality goods. They want to be given protection. If the quotas were put into classifications, it would give them protection. But they will not be afforded protection if all the classifications are lumped into one total, because the cheaper goods will then come into this country in quantity.

Mr. RUSSELL. Has the Senator from Massachusetts any suggestion to make as to how the amendment could be modified in that respect?

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. RUSSELL. Mr. President, since other Senators wish to speak, I shall not talk at length. However, I yield myself two additional minutes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Would it not be possible to have the amendment apply to the quotas of 1952, based upon the respective qualities of the goods which came in during that year, so that the imports would not be lumped on a quantity basis, but would be arranged on a selective basis, in the same ratio as the goods previously had come in?

Mr. RUSSELL. I would have to ascertain what effect that would have. I want to deal fairly with every segment of the country which is interested in the amendment.

Mr. SALTONSTALL. I support what my colleague [Mr. KENNEDY] has said. It is my understanding that on a quantity basis, the industries of New England would not be helped.

Mr. RUSSELL. I shall be glad to look into the matter as the debate continues. Of course, the amendment must go to conference with the House if it shall be adopted by the Senate. It can be considered there.

I have no purpose to inflict any injury on the New England textile industry, and I really do not think my amendment would do so. I think the fears of the New England textile industry are more imaginary than they are real. But I shall look into the question in an attempt to reassure Senators as to the effect of the amendment.

Mr. President, I reserve the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I have been listening to the discussion about the possible effect of the amendment on the textile mills of New England and other parts of the country. I do not

believe the amendment would make cotton cost much more for the mills of New England, because I think those mills would stop using cotton. Let us think back 6 or 7 years, to the time when cotton was still used to a greater extent. At that time most of our mills shifted to rayon.

As I understand the proposal of the Senator from Georgia, there would be no restrictions upon the planting of cotton under his plan. That means the production of cotton could go from 17 million acres to 42 million acres, which is the amount that was planted some years ago. It means there would be production from those acres which largely would be placed upon the world market, because our own mills in the meantime would have shifted to substitutes.

It means that we would have to seek the markets which are now enjoyed by India, Mexico, Brazil, Egypt, Turkey, and other countries of the world. It means that retaliatory barriers would be set up against us. It means we would have to put up barriers so high that one could not possibly see or get over them, in order to protect the substitute textile business of the United States.

But more than that, it would mean that when we undertook to destroy the economy of Egypt, of Costa Rica, of Guatemala, of Mexico, of India, and of other countries of the world, we would have to have armed forces greater than those ever dreamed of by the chairman of the Committee on Armed Services in order to protect the United States. We would disrupt the economy of the entire world.

I am surprised to see those who claim to be internationalists, and those who claim to be friends of foreign countries, take positions which would contribute to the destruction of the economy of the very countries of which they claim to be friends.

Mr. President, I think there should be a record vote on the amendment, and I therefore ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, will the Senator from Georgia yield me 2 minutes?

Mr. RUSSELL. I yield 2 minutes to the Senator from Minnesota.

Mr. HUMPHREY. I'm still in doubt as to how I will cast my vote on the proposal of the Senator from Georgia. I am tempted to vote favorably because I happen to believe this may be the least undeserving of several undeserving alternatives.

I said sometime ago, when a proposal was offered to have 56 million acres of corn, and when there was a separate proposal on cotton, that when we began to treat the farm people—

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont will state it.

Mr. AIKEN. As I understand, the amendment provides for a tax on the importation of cotton goods into the United States.

The PRESIDING OFFICER. The Senator from Minnesota has the floor. Does he wish to yield?

Mr. HUMPHREY. I should like to complete my statement.

Mr. AIKEN. Mr. President, I rise to a point of order that the amendment is not germane to the bill.

Mr. HUMPHREY. I merely wish to state that some time ago in the debate I pointed out that if we started to have special deals and special arrangements, commodity by commodity, we would open up a Pandora's box of trouble.

Mr. Benson, the Secretary of Agriculture, began this activity, and the chickens are now coming home to roost. Some of those chickens may not look so good, but they are his. I hope the eggs are not all so bad as they sometimes appear to be. But the Secretary asked for this. This is exactly what can be expected, time after time, on commodity after commodity, in the light of what the Senate has started to do.

The committee reported a bill to the Senate. It is one thing to argue about flexible price supports versus rigid price supports. That is a difference of opinion about how the price-support program shall operate. I disagree with those who advocate flexible price supports, but I will say that, at least, they have a system; they have a program.

We have now reached a point where we will have, not a program, but a dozen programs. But Mr. Benson asked for this. I regret that he was so foolish as to ask for this kind of program; but he is about to get it—not with my blessing, I may say, but with his urging.

Mr. EASTLAND. Mr. President, will the Senator yield 5 minutes to me?

Mr. KNOWLAND. Mr. President, I first wish to yield 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Chair will state that all time on the amendment, on both sides of the question, must be used before the point of order can be discussed under the controlled time.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I think ultimately we shall have to have some kind of two-price system. I feel kindly toward this proposal, but I really do not think it will work, because it places a support price of 100 percent of parity on cotton. Everyone wants to get as high a price as he can get for the commodity he produces. But it is fundamental that cotton must be competitive with synthetic fibers in the marketplace.

In 1955, alone, the increased consumption of rayon in the United States displaced 978,000 bales of cotton. In other words, in that single year practically one-ninth of the domestic cotton consumption was wiped out.

If we support the cotton prices at 100 percent of parity for 10 million bales, the Treasury of the United States is going to take a big loss right there, because domestic consumption hovers around 9 million bales.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. RUSSELL. It will not take much of a loss, because 1 million bales of the

Government's cotton is going to be put into this program.

Mr. EASTLAND. One million bales will go out at what price?

Mr. RUSSELL. It will go out at the certificated price.

Mr. EASTLAND. Yes, but it is going to decrease the consumption of cotton domestically, which is the greatest remaining market the American cotton-grower has.

If we are talking about supporting cotton domestically at 100 percent of parity, then we are talking about 9 million bales. Here we have 10 million bales. In the year 1954-1955 rayon imports into this country increased from 200,000 bales to 450,000 bales. They displaced that much cotton.

The argument is made, "A \$5 shirt has just two bits' worth of cotton in it," but the fact remains that the big inroads synthetic fibers have made in the cotton industry have resulted in cotton goods being mixed with rayon. Rayon is cheaper, and a mill will mix it because the mill can make more money by mixing rayon with cotton.

I was amazed to learn that the Cannon Mills, a big towel manufacturer, today for the first time is mixing rayon in the towels it manufactures. That was something unheard of previously, but the mills do it because rayon in just a few cents cheaper.

We must get cotton prices down to the point where it will be competitive with rayon. I would certainly favor a form of two price system based on that objective.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I think it is time that we recognized what we are doing to the farm program by the type of legislation which is before the Senate now, and that which was just approved.

I did not vote for the two price system on wheat because I believe if we start doing that for one commodity then we will have two price systems for all agricultural commodities. It is pretty hard, if we vote for 100 percent on wheat, to say we should not vote the same way for another commodity. Placing 100 percent supports on cotton would result in what the Senator from Mississippi has said. It would merely mean a steady chopping away of cotton consumption until there would be a drastic reduction in consumption.

I think it just happens that there is one section in the United States that can stand that sort of deal. That happens to be some of the irrigated sections of California, Arizona, Texas, and the Delta of the Mississippi. It is said that people can produce cotton there for 20 cents. Perhaps they can. If the price is put at 35 cents, it is very apt to result in farmers producing all sorts of free cotton and paying the 50 percent penalty and finding themselves a wide open market. If that is not done, then there will be invited the very thing that has taken place today with regard to rayon.

Consider what happens around the earth. We have almost trouble enough

with our international relations without asking for the sort of trouble involved in this amendment. What are we going to do when we have serious problems, with a country like Egypt? Are we going to turn loose on the world several million bales of cotton? Does anybody think we are going to continue a production that tends toward 10 million bales in the United States? The acreage which was allocated last year resulted in a production of 14 or 15 million bales when it was designed to produce 10 million bales. The average production in the past 5 years was 308 pounds per planted acre. Yet last year the harvest was 416 pounds per harvested acre. That goes to show what happens when we turn things loose.

Not long ago there was a prediction made that with the proper use of fertilizer and proper care of the land 700 pounds of cotton to the acre could be produced. When that happens and we start turning loose the product of 15 or 16 million bales of cotton, putting millions of bales of cotton on the world market, what do my colleagues think will happen? I think we would tear down our international relationships pretty rapidly.

We have for a long time needed an export program. It should have been started 3 years ago. We have been told there will be 5 million bales of cotton moving in the next year. I think a program which would move 5 million bales of cotton, with domestic consumption running at 10 million bales, would be a very wonderful thing for the cotton growers of this country. But if 100 percent of parity price supports were put into effect, then the rayon mills could expand almost as rapidly as they wanted to, and take away the American cotton market.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GOLDWATER. I am glad the Senator from New Mexico mentioned rayon. I entered the Chamber late, and probably missed the figures the Senator cited, but is not the difference enjoyed by rayon between 5 and 10 cents, as compared with the price of cotton?

Mr. ANDERSON. I do not keep track of rayon prices, but the per capita consumption of rayon from 1935 to 1939 was 2.5 pounds. From 1940 to 1945 it was 6 pounds. From 1950 to 1954 it was 7 pounds. In 1953 it was 7.7 pounds.

What about the per capita consumption of cotton? That is different. Does the Senate want to accentuate that trend? I do not believe it does.

If the amendment suggested by the Senator is adopted, we will emerge with a bill with which we cannot live. I hope my colleagues will not do it. I think we have made a serious mistake in the matter of wheat. I hope we will not make a mistake in the matter of cotton.

Mr. GOLDWATER. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. GOLDWATER. It is true that the price advantage enjoyed by rayon as compared with cotton is from 5 to 10 cents? If support prices of 100 percent were put in effect, it would raise that

difference to between 9 and 14 cents. The junior Senator from Arizona does not feel that cotton could compete with rayon when there was an advantage of 9 to 14 cents in favor of rayon. I wonder if the Senator from New Mexico agrees with me.

Mr. ANDERSON. The Senator knows it could not compete. It is tough now to keep some of the cotton consumption going, but if we start putting in that kind of a differential, people are not going to buy cotton, and they cannot be blamed. If that results, we must recognize that cotton will be moving in competition with an industrial empire which has unlimited money for research, whereas in the various cotton bills passed the cotton farmers have never been able to get enough appropriated for research.

I am not singling out the Du Pont Co. particularly, but Du Pont can say, "We will put X million dollars into research." They have done that. They have produced a fine product, but they have done it at the expense of some of the historical cotton sections of the United States.

I believe adoption of the amendment would defeat the very thing Senators have been voting for.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GOLDWATER. On the foreign aspects of the question, does the Senator believe that the present world-price market has been pretty much dictated by the domestic price of United States cotton, a price set by our 90 percent of parity supports?

Mr. ANDERSON. By American prices. That is surely correct.

Mr. GOLDWATER. It is true that in the far West and in the Southwest we can grow cotton—

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. KNOWLAND. I yield 5 additional minutes to the Senator from New Mexico.

Mr. GOLDWATER. The junior Senator from Arizona is informed that in some sections of the western United States cotton can be grown for as low as 13 cents. We can grow cotton in Arizona at from 19 to 21 cents. I am a little skeptical about the 13-cent figure. But the Senator knows that in our section of the country we can grow cotton for between 19 and 21 cents.

How long can our cotton growers compete with a foreign market which, in effect, becomes a free market? How long will our growers be able to compete with foreign cotton which is produced with the cheap labor such as is available in Mexico? In that connection, let me say that the Senator from New Mexico knows that our high parity put Mexico into the cotton-growing business. How long does the Senator from New Mexico think American cotton could compete in the free world market with cotton produced in countries where the labor costs are practically zero?

Mr. ANDERSON. I do not think we would have a very happy time competing

under those circumstances. That is why I take the point of view of the Senator from Mississippi [Mr. EASTLAND]. In the Committee on Agriculture and Forestry he has tried hard to have set up a plan whereby the American cotton farmer can share again in the export market. From 1935 to 1939 we exported from 3 million to 5 million bales of cotton annually. Last year our exports declined to 2 million bales. I say it is bad enough to see that market declining, let alone see the rest of it go shortly thereafter. I think we shall lose the export market if this amendment is adopted. I believe this amendment will call for a very dangerous experiment.

I can only say what I said the other day, namely, that the able Senator from Georgia was as fine a friend as agriculture had when I was in the Department of Agriculture. I am sure he is persuaded that his amendment proposes the best way to handle the problem. But I believe that to attempt to handle the problem by dealing with it on the basis of first one commodity and then another commodity will be disastrous.

Mr. SALTONSTALL. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I realize the Senator from New Mexico had great experience during his service in the Department of Agriculture. A little while ago I engaged in colloquy with our distinguished colleague, the junior Senator from Georgia. Let me ask the Senator from New Mexico whether we are correct in our understanding that if the amendment becomes law, it will result in an increase in the cost of the goods manufactured in the Massachusetts mills, because of the increased cost of cotton to them.

Mr. ANDERSON. I think I should say that I have not read the amendment carefully, but have skimmed through it hastily. However, from that hasty examination I think the amendment would increase the cost of cotton goods; but I do not believe it would do so for very long, because in a short time the New England mills would turn to the use of rayon, of course.

Mr. SALTONSTALL. The Senator from Georgia has proposed a quota for cotton and, as he has said, would roll quotas back to 1952. On page 13 of his amendment we find that no quotas shall be allowed on articles "containing an amount of cotton equal in weight to the amount of cotton contained in articles manufactured in whole or in part from cotton and imported into the United States during the calendar year 1952."

It is my understanding that that provision will not help New England to any great degree, because the goods which are imported by weight will go to the mills that are manufacturing lower quality goods. If the amendment is to be effective in the case of all mills, it must be qualified in some way as to quantity as well as quality. Can the Senator enlighten us on that point?

Mr. ANDERSON. I am unable to do so; I am not sufficiently familiar with the amendment. I would say that, on the

basis of the statement the Senator from Massachusetts has made, his analysis of the amendment is correct; but I am not sufficiently familiar with the amendment to make that statement.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time allotted the Senator from New Mexico has expired.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Louisiana.

Mr. RUSSELL. Mr. President, will the Senator permit me to modify my amendment at this time?

The PRESIDING OFFICER. Unanimous consent would be required for that purpose, inasmuch as the yeas and nays have been ordered on the question of agreeing to the amendment.

Mr. RUSSELL. Mr. President, I was going to request unanimous consent. However, I shall do so later.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Louisiana [Mr. ELLENDER].

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, I regret to state that the Committee on Agriculture and Forestry has not, to my knowledge, ever heard any testimony on a two-price system for cotton. We did hold extensive hearings during the last 2 or 3 years on a two-price system for wheat. The Senator from South Carolina [Mr. JOHNSTON] was chairman of the subcommittee which held the extensive hearings. The issues involved in such a proposal had been fairly well explored. Therefore, I felt able to join other Senators in voting for an amendment establishing a two-price system for wheat.

Hearings were also had on a two-price plan for rice. As a result of our study, the committee voted to include in the pending bill a provision for a two-price system for rice. However, before the committee did so, we called upon those interested in the production of rice, as well as the millers, and obtained a wealth of information. We heard testimony on the plan from all those interested in rice production. As a matter of fact, the entire rice industry got together and drafted sample legislation, which the committee refined in the light of conclusions based on the abundance of data we had gathered. Our conclusions as to rice now are part of the pending bill.

At this time I would hesitate to support a two-price system for cotton. We have not studied such a program. We have not heard from all affected segments of the cotton industry. We do not know the effect such legislation would have on our farmers, both large and small. In a nutshell, Mr. President, we do not know too much about it.

I should like to address a few questions to my good friend, the Senator from Georgia [Mr. RUSSELL], if he will kindly answer them.

Mr. RUSSELL. I shall be glad to answer them if I can, Mr. President. I do not pretend to be an expert in this field, as others are.

Mr. ELLENDER. As I understand the amendment of the Senator from Georgia, the cotton farmers of the country would be able to produce all the cotton they desire to produce; there would be no acreage allotments, no marketing quotas, no production restraints whatsoever. Is that correct?

Mr. RUSSELL. That is correct; there will be no acreage allotments, no loans, and no supports, under this amendment.

Mr. ELLENDER. Very well. Then, as I understand the amendment, all the cotton that is so produced would be sold at whatever price the market might bring.

Mr. RUSSELL. That is correct.

Mr. ELLENDER. Both for domestic and for export sales?

Mr. RUSSELL. That is correct. The amendment would take the Government out of the cotton business. There would be a completely free flow of cotton within the United States.

Mr. ELLENDER. As to the cotton used domestically, as I understand, the producers of the cotton would obtain certificates, with a specified amount equal to the difference between 100 percent of parity and the estimated market price.

Mr. RUSSELL. Yes; just as in the case of the wheat amendment which the Senate has just agreed to.

Mr. ELLENDER. How would the amount of cotton that might be used domestically be determined? What method would be used?

Mr. RUSSELL. It would be estimated by the Secretary of Agriculture, but would not be less than 10 million bales.

Mr. ELLENDER. What would become of the surplus we now have on hand? Is it the view of the Senator from Georgia that only 1 million bales of it would be included each year in the amount to be consumed domestically?

Mr. RUSSELL. Under the amendment, 1 million bales, each year, of the surplus the Government now holds would be put into the domestic consumption, because only 90 percent would be allotted, until the holdings reached 3½ million bales. Of course that is a discrimination against the cotton farmers; a similar provision is not included in the amendment relating to the wheat farmers. But that is done because the cotton farmers take the responsibility of reducing their production and of letting the surplus be consumed.

Mr. ELLENDER. Then we are to understand that if the Secretary of Agriculture determines that the domestic consumption of cotton aggregates 9 million bales, let us say, then 8,100,000 bales would be allocated among the cotton growers and 900,000 bales taken out of the surplus?

Mr. RUSSELL. No. Under the amendment, as it is drawn—and of course I realize that the amendment must go to conference and be studied there; and I had hoped that the Senator's committee would have time to study it—

Mr. ELLENDER. But we have not had time to study it.

Mr. RUSSELL. Yes. The amendment was submitted in February, but I realize that no hearings were held on it. Under the amendment, the Secretary of Agri-

culture could not reduce the allotment below 10 million bales.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. KNOWLAND. Mr. President, I yield an additional 5 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes more.

Mr. ELLENDER. I thank the Senator from California.

I should like to ask a further question of the Senator from Georgia: In other words, are we to understand that the domestic producers of cotton will be allotted their pro rata share of a minimum of 10 million bales?

Mr. RUSSELL. Of 9 million bales.

Mr. ELLENDER. Of 9 million bales?

Mr. RUSSELL. Nine million bales.

Mr. ELLENDER. The extra million bales would come from the surplus?

Mr. RUSSELL. It would come from the surplus. I thought that proposal would appeal to Senators who are trying to find some way of disposing of the surplus without the Government losing money.

Mr. ELLENDER. It is not a question of appealing to me; I would sincerely like to vote for the Senator's amendment, but I fear it has not had sufficient study. As a matter of fact, the Agriculture Committee has never studied it, as we have two price floors for wheat and rice.

Mr. RUSSELL. I was not referring specifically to the Senator from Louisiana. I was referring to all Senators. Here we are saying that the Government shall get full parity for 1 million bales of cotton each year, which it has in surplus, as it is put into domestic consumption.

Mr. ELLENDER. Does the Senator's amendment deal with the importation of finished goods from abroad?

Mr. RUSSELL. Yes. The original provision which was drawn has been revised. I think the original provision is preferable, but I realize, of course, that under the Constitution a revenue measure cannot originate in the Senate, and I shall propose an amendment to provide for a straight import limitation, striking out the tax feature.

Mr. ELLENDER. How would that be handled?

Mr. RUSSELL. Any person who imported more than the 1952 imports, in weight, as allocated by the Secretary of Agriculture, would be subject to the criminal provisions of the bill.

Mr. ELLENDER. Would the Senator's proposal permit the importation of a minimum amount of these goods?

Mr. RUSSELL. The provision of the amendment is in terms of the weight of cotton processed goods.

Mr. ELLENDER. As the Senator knows, we have had a great deal of difficulty in handling the importation of finished goods from Japan. Some effort is being made to cope with that problem. I think the Senator from Mississippi has presented bills which we have considered to some extent—we have not reported any—which would restrict the importation of cotton textiles from abroad, or limit them on a quota basis.

Mr. RUSSELL. This amendment would provide a quota limitation for each country, to the extent of the amount which was imported into this country in 1952.

Mr. ELLENDER. That would be the limitation?

Mr. RUSSELL. Yes.

Mr. ELLENDER. Is that the only limitation?

Mr. RUSSELL. That is the only limitation, and that is adequate, because it has been only since 1952 that our processors have been crying about importations of foreign dresses, sport shirts, and things of that kind.

Mr. ELLENDER. As to the cotton produced in excess of domestic consumption, does the Senator make any provision for protecting the producer by way of a minimum price support level?

Mr. RUSSELL. Not the slightest. He produces at his own peril, and sells it in the world market. This amendment would get the Government out of the cotton business. It would dispose of the surplus at full parity, and get the Government out of the business. The producer who produced for the world market would take his chances on what he would get for the excess above his domestic allotment.

Mr. ELLENDER. Is the distinguished Senator from Georgia prepared to give an answer to the question asked awhile ago by the Senator from Mississippi [Mr. EASTLAND], I believe, as to the effect 100 percent of parity for cotton would have on the consumption of cotton, and also on further intrusion by rayon and other synthetics into the domestic cotton market?

Mr. RUSSELL. The Senator from Louisiana knows that this is not a new question. It has been raised every time we have considered the question of 90 percent of parity. Those who favored 75- to 80-percent parity said, "If you do not put the support price at a very low level, the synthetics will eat you up."

That argument has raged since 1938. That was the first time I heard discussion about the dangers of the synthetics. Cotton prices have varied over that period of time. A part of it was during a war period, when normal conditions did not obtain. It is my own view that it is not in the interest of the cotton farmer to say, "We are going to establish a support price to depress the price of cotton, in order that it may compete with rayon." I cannot accept that theory.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, will the Senator from California yield me 1 further minute?

Mr. KNOWLAND. Mr. President, I yield 2 additional minutes to the Senator from Louisiana.

Mr. EASTLAND. Mr. President, may I ask a question?

Mr. ELLENDER. Let me finish.

As I stated a while ago, I feel, as the Senator from Mississippi feels, that ultimately we may have to go to some form of two-price system for cotton. I repeat that as long as I have been chairman of the committee—as a matter of

fact, as long as I have been a member of the committee—the committee has not gone into the details of this subject. Personally I would hesitate to vote for an amendment on which we have not held hearings, about which we know so little, and the effect of which is based on only speculation and hope. I would be happy to have the committee study this question and take action on it if the Senator from Georgia would permit us to do so. His proposal appeals to me, but I do not wish to vote blindly on the program. I am speaking frankly to my friend from Georgia.

Mr. RUSSELL. The Senator realizes that this is a proposal merely to submit the question to the cotton farmers in a referendum. If the Senator from Louisiana or the Senator from Mississippi were to advise the American cotton farmer to take a 3-cent reduction in his cotton price, he might favor some such proposal. It might be favored in Louisiana or Mississippi. I do not believe it would be favored in my State. This amendment would submit the question to the cotton farmers in a referendum.

The farmers should be permitted to vote upon the question. Why should the Senator from Louisiana deny to Louisiana cotton farmers, or why should the Senator from Mississippi deny to Mississippi cotton farmers, the right to vote on this question?

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. EASTLAND. What the Senator from Mississippi desires is an opportunity to arrive at a proper conclusion.

Mr. RUSSELL. The Senator says he is opposed to the amendment, which merely provides for a referendum.

Mr. EASTLAND. I am opposed to 100 percent support prices on cotton.

Mr. RUSSELL. Let the Senator vote as a cotton producer, and not as a Senator. He should not prevent the farmers of his State from voting upon the question.

Mr. EASTLAND. There are other factors. It seems to me that when we go on a two-price system, we must have some form of acreage control.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. LONG. Mr. President—

Mr. RUSSELL. Mr. President, I yield myself 1 minute in order to answer a question to be propounded by the Senator from Louisiana.

Mr. LONG. Mr. President, when reference is made to the price at which cotton would be sold, it is important to know that the farmer, on his production for domestic consumption, would need to get 100 percent parity on what he is producing for the domestic market, in many cases, to offset the low prices at which he would be forced to sell on the world market.

Mr. RUSSELL. That is correct.

Mr. LONG. While the American cotton farmer would, in some respects, be giving rayon an advantage in the competitive domestic market, on the other hand, he would have the advantage over rayon in the foreign market.

Mr. RUSSELL. That is correct.

Mr. LONG. He would give some advantage to rayon in the local market, but, on the other hand, he would take an advantage over rayon in the world market.

Mr. RUSSELL. The Senator is correct.

I repeat that this amendment merely provides for a referendum among the cotton farmers of the Nation. They should have a right to vote on something other than the proposal contained in the bill. We may be experts on cotton, but many cotton farmers are pretty well versed in their own problems. I do not believe that we should constitute ourselves as their guardians, and say that we are not going to let them vote on the question of whether or not they are to get full parity on their domestic consumption.

Mr. GORE. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. GORE. I wish to inquire of the Senator whether he has given consideration to the implications which the quota provision of his amendment would have upon our international trade policy, also with respect to the bill now before the Ways and Means Committee of the other body to approve agreements which this country has made, which agreements are contrary to the application of quotas.

Mr. RUSSELL. Yes. I have given considerable study to that entire question. I have seen the farm program manipulated. The Secretary of Agriculture should have had certain powers exercised by the State Department. I have seen an umbrella held over foreign production. I am convinced in my own mind that, of the \$10 billion we have in agricultural surpluses, a large part of it should be charged up to the foreign aid program, because it was handled in such a way as to help producers in other countries.

We have no obligation to continue to tax the American people for a farm program such as we have today, under which vast surpluses have been accumulated, which penalize and impoverish our farmers, when they are willing, even with the disadvantages under which they struggle of high-cost labor and other high costs in this country, to compete with the farm producers of any other country in the world.

Mr. GORE. Does the Senator realize that the quota system which he proposes would give rigid protection to the one segment of our economic life which has not only more than 95 percent of the American market, but also a thriving export trade? If we are to provide such rigid quota protection, which I doubt, it seems that we should begin with some industry for which such protection is more justified.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, we have just voted a two-price system for wheat. On that ques-

tion we held hearings in the committee. We also held hearings on the two-price system for rice. We did not hold any hearings on that subject with regard to cotton. I am vitally interested in cotton, and especially in the small cotton farmer. Let us see what the amendment would probably do to the farmers. Let us look at it for a minute with all controls off of cotton as this amendment would do. As I said, we have not held any hearings on two-price system for cotton. However, we must realize that if we take off all acreage controls, in the original cotton-growing States the small farmers will not plant any more cotton than they are planting at the present time. We would find that on the big farms, on the irrigated farms, the big farmers would plant just as much as they could plant. There they grow 2½ to 3 bales to the acre. On the small farms that I mentioned, the small farms, the farmers will probably grow about half a bale or just a little more, on the average.

What we would be doing with this amendment then would be to turn loose the big farmers with 100-percent parity and no controls, and there would be built up a surplus of cotton much bigger than we have at the present time, and the little farmer would get no benefit. He would be strangled out by huge surpluses, regardless of the parity guaranteed.

Certainly I am for 90-percent parity and even 100-percent parity for cotton; but it must be coupled with rigid controls or the program would eventually collapse and the little farmers with it. Actually, this ticket or coupon system, once the surpluses had set in, would not work. A farmer could not get the difference between a sale price and 100-percent parity if he could not sell the cotton in the first place.

I should like to call attention to another fact. We have on our hands today a problem in connection with textiles. I believe the pending amendment would also hurt the textile industry. We would be selling cotton across the seas to foreign industry at a price greatly beneath what we would be selling it for to the manufacturers in the United States. Foreign countries would be at an even more distinct advantage. Therefore, the amendment would hurt us both ways. All those things would enter into the picture. I am for textile import quotas, but even if applied with this amendment, the purpose of the quotas would be defeated by the surpluses. We cannot justify one on the basis of the other.

It hurts me to go against my good friend from Georgia. I always like to go with him. He is a good leader, and as a rule one can almost shut one's eyes and go along with what he proposes. However, this is one time when I cannot do that. I say that because to go along with him this time would eventually hurt all the cotton farmers in this country and especially the little cotton farmers. It would build up the surplus, instead of cutting down the surplus. When we build up surpluses, we cut down the price the farmer receives. Even with 100 percent supports today we could not be as-

sured of them tomorrow after the surpluses exist. That will hurt the cotton farmers of the Nation.

Personally, I believe we ought not to go into a matter that is as far-reaching as this without first holding extensive hearings on it.

I want high price supports. I want import quotas; but we cannot justify voting for this amendment solely on this basis and shut our eyes to the inevitable damage that would result and which would destroy our small cotton farmers. Without average controls I cannot vote for this amendment.

We should have, and we may yet get, 90 percent supports with rigid controls. This is the answer to the small farmer's problems.

Mr. EASTLAND. Mr. President, will the Senator from California yield me half a minute?

Mr. KNOWLAND. I yield 2 minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I believe the proposal has considerable merit, but it should be worked out. The distinguished Senator from Georgia has performed a very great service in bringing it to the floor of the Senate.

The Senator from Georgia stated that when the farm bill was passed in 1938, the question of rayon consumption was raised. In 1938, rayon displaced about 300,000 bales of cotton. Today it displaces 4½ million bales of cotton a year in the United States. There has been a rapid expansion.

In 1955, it was reported that over a 3-year period \$155 million had been invested in synthetic plants. Whether we like it or not, we must keep cotton prices competitive with the synthetic fiber. We can do it with a price reduction of 2½ to 3 cents a pound. By doing so, we can prevent further acreage reduction, and therein lies the income and standard of living for the little farmers all over America.

SEVERAL SENATORS. Vote! Vote!

Mr. RUSSELL. Mr. President, I yield myself an additional minute. I realize that a tax bill cannot originate in the Senate. In drafting the measure I had hoped that the House would take it up. Mr. President, I move to strike out section 605 of the amendment and insert in lieu thereof a new section.

The PRESIDING OFFICER. The amendment cannot be offered until all time has expired on each side on the pending amendment.

Mr. RUSSELL. I was going to ask unanimous consent to do that. I ask unanimous consent that the text of section 605 as written be stricken and that there be inserted in lieu thereof the following language:

There shall not be imported into the United States from any foreign country during any calendar year commencing after December 31, 1956, articles containing an amount of cotton in excess of the amount of cotton contained in articles manufactured in whole or in part from cotton and imported into the United States from such countries during the calendar year 1952.

Mr. AIKEN. Mr. President, I do not believe the amendment is any more ger-

mane than the other was, but I have no objection.

Mr. RUSSELL. I thank the Senator. The PRESIDING OFFICER. Is there objection? Without objection, the Senator so modifies his amendment.

Mr. RUSSELL. I yield 4 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am not an expert on cotton or cotton markets, but I do have the honor of being one of the Senators representing a State which is second only to Texas in the production of cotton.

Mississippi has the highest percentage of total income from agricultural products of any State in the Nation. During a recent year, 69 percent of all agricultural income in Mississippi came from cotton.

We have the rich, fertile delta land, and we also have the small farms in the hills, and the medium-sized farms. So, as cotton goes, so goes the economy of Mississippi, and that is true of Mississippi more than of any other State.

I have been convinced for about a year now that some plan based on the two-price system, or the domestic allotment plan—whichever we wish to call it—would be necessary. I believe we are rapidly being forced to such a program. I know that the present system is gradually eliminating the very small farmer, not only in my State, but also in all other areas of the Cotton Belt. More than that, it is gradually eliminating the medium-sized cotton farmer, who is the farmer of from 10 to 40 acres. It is not so much the price level that is to blame, but the fact that he is losing his acreage. Once he has lost the acreage, it is gone forever. Once the small farmer moves away, even if the acres should be restored later, he does not come back to the farm. That is true even of the larger size farmer.

At the same time I am convinced that we cannot abandon our foreign market. There must be some kind of program which will get us back into the foreign markets. The two-price system offers an opportunity to develop a long-range program and at the same time keep us in the great foreign markets of the world.

One hundred percent of parity may be a little too high on the domestic allotment. I do not know just what the optimum level should be. But I am fully convinced under the present program there will be no cotton growers left in America within from 5 to 10 years, except the very large growers on the very fertile land, unless we adopt some kind of a program which will give more acres and improve farm income.

Mr. President, I shall support the amendment, believing firmly in its soundness. I believe it will be applied in the course of time, even to the extent of some of the difference having to be paid out of the Public Treasury. The cotton farmer is faced with a situation whereby he has to buy all his agricultural machinery in a market protected by tariffs and by a floor for wages under the wage and hour law. Everything he buys is in a protected market. Some plan must be developed to keep the medium-size farmer and the family-size farmer and

larger farmers on a profitable basis. He must also regain a fair share of our export market.

Mr. President, I shall support the amendment.

I believe there is little in the pending bill before the Senate that will lead to a long-range solution of the real problem of the cotton producer. Under present law he is beset by the uncertainty of the level of price support. He is now beset by the uncertainties of farm policy that change from election to election. He is already the victim of a cotton acreage reduction which has reached an unbearable low. This includes the small farmer, the medium size farmer, as well as the large producer. Many of the very small farmers have virtually been driven from their land. The medium size farmer has had repeated acreage reductions; he can bear no more. The large farmer has had his acreage reduced to the extent that he has had to dispose of a great number of his tenants; and at the same time investments in farm machinery are hardly justified, to say nothing of expensive improvements for his land.

All in all, these problems increase from year to year rather than decrease and unless a sounder plan is reached, the cost to the Government will increase.

FUTURE PLANNING

I repeat, Mr. President, the need of the cotton producer is to establish a long range program that will lend some measure of certainty to the program in years to come. The farmer must have a fixed foundation on which he can plan his farm operations for the future years. This same degree of certainty is what the small town banker and other financing agencies need in the cotton producing areas. This is not a party matter, nor is it an election year matter. The question must be determined on an areawide basis. Certain fundamentals must be spelled out.

TWO PRICE SYSTEM

When the problem is fully considered, I believe the conditions and facts already developed compel us to go to the two-price system for cotton on a domestic allotment plan. Such a program will give each individual producer a certain stability and a guaranty of 100 percent of parity to the extent of cotton grown for home use. It will make acreage allotments for this purpose fairly definite year after year. At the same time, it will permit a producer to grow unlimited quantities of cotton beyond his domestic allotment acreage. He will sell the excess production in foreign markets at competitive prices. This will permit every producer to grow as much cotton as he may wish and at the same time it will keep the American cotton growing industry in the markets of the world at prices that the purchasers will pay.

Further, this eliminates long-time storage costs and long-time insurance costs on millions of bales of cotton.

NO GOVERNMENT LOANS

Under the provisions of the bill of the Senator from Georgia, the only cost to the Government would be the expense of

issuing and collecting certificates of payment. Cotton grown by the producer from his domestic allotment acreage would be sold for what it would bring in the market. The producer would be given a certificate for the difference between that price and the parity price. The mills would purchase this certificate when they bought the cotton for domestic use.

Under the terms of this bill the mills would be protected by imposition of an import duty on foreign production of cotton products.

It could well be argued that instead of the sums represented by these certificates being paid by the consumers of the cotton goods, that the sum be paid from the Public Treasury as a direct subsidy. I would readily agree to this proposal; I think it is sound and I believe that we would rapidly come to this position once this program is initiated.

This is justified by the fact that we have a wage and hour law that puts a floor under wages; and the fact that we have the national tariff policy which puts an artificial floor under the price of the manufactured products.

My plea is for a sound, long-range, workable program. I do not believe that the rigid 90 percent price support program nor the sliding scale support program will solve our problems in the future. I voted for the sliding scale support price in this bill as a temporary proposition, not as a solution to the farm problem—it is not a solution—but merely in order to try to get some bill passed that will, at least temporarily, relieve the situation, especially as to cotton. We shall continue to be plagued by surpluses, acreage reductions, mounting costs of storage, insurance, and many uncertainties until we get a sounder long-range program.

In effect, we are already operating the cotton program under a two-price system. We now obtain cotton through the loan and sell it in foreign markets at world competitive prices. This two-price system should be recognized, made a firm and lasting policy, and the program made a fixed part of our economy. I am convinced this is the only way to bring stability to our farm program and the farm segment of our economy, and at the same time give us a long-range program that is sound. These fundamental and basic questions must be settled. It will then be possible to build a long-range program. Until this is done, I am firmly convinced that all programs will fall far short of their mission. Meanwhile, agriculture will continue to suffer.

Mr. RUSSELL. Mr. President, I yield 1 minute to the Senator from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. President, price supports may have been pretty well discredited in the eyes of most consumers. The system has been under vicious attack for a long while which is regrettable. Flexible price supports have been emphatically disapproved by the producers of our basic commodities. We can no longer sell flexible price supports to our farmers. Thus a new way must be found whereby we can come to the assistance

of farmers and protect our agricultural economy.

I do not profess to be an authority on all agricultural matters. I must look to other Members of the Senate who have made a study of the entire subject and who have lived with the problems of agriculture.

In the case of cotton, Mr. President, I think the Senator from Georgia [Mr. RUSSELL] is one of the outstanding authorities in this country. I have listened with great interest to the arguments pro and con in connection with the amendment offered by the Senator from Georgia, and I believe the Senator has made a good case for his amendment. I believe a two-price system for cotton would probably offer much more to the producer of cotton than would a flexible-price-support program.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, I should like to ask a question of the Senator from Georgia.

If I correctly understand the plan proposed, it would virtually place the producers on their own, and, actually, the cotton producer would have no further interest in a soil bank.

Mr. RUSSELL. I may say that the provisions of the soil-bank proposal would not start until 1957. I think my amendment would greatly encourage soil-bank participation. The farmers would cut their acres and produce cotton for sale in the world market below the present support level.

Mr. President, I yield myself 2 more minutes.

I can understand how the Senator from Massachusetts [Mr. KENNEDY] can oppose the amendment, because he says it would increase the price of cotton consumed in the cotton mills of Massachusetts. It would, to a certain extent, increase the price; but I cannot see why a Senator from a cotton-producing State should be afraid to let his farmers exercise their intelligence in stating their position on this program through a referendum, because it could not become operative until two-thirds of the farmers support it. They could take the program, or if they voted it down they would have what would be in the bill otherwise—the flexible program. Certainly, Mr. President, it seems to me that the cotton farmers are entitled to pass on the issue when the plan is much more easily applied to cotton than it is to wheat.

The PRESIDING OFFICER. Does the Senator from Georgia yield back the remainder of his time?

Mr. RUSSELL. I will yield back the remainder of my time if the Senator from California will yield back the remainder of his time.

Mr. KNOWLAND. Mr. President, I yield back the time remaining to me.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL], as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Montana [Mr. MURRAY] are absent on official business.

On this vote the Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Montana would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in the State and, if present and voting, he would vote "nay."

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent. The Senator from Idaho [Mr. WELKER] is detained on official business.

The result was announced—yeas 33, nays 57, as follows:

YEAS—33

Barkley	Hennings	Morse
Barrett	Hill	Neely
Bible	Jackson	Neuberger
Carlson	Johnson, Tex.	O'Mahoney
Case, S. Dak.	Kerr	Russell
Chavez	Langer	Smathers
Clements	Long	Sparkman
Curtis	Magnuson	Stennis
Daniel	Mansfield	Symington
Fulbright	McClellan	Thurmond
George	McNamara	Young

NAYS—57

Aiken	Ervin	Martin, Iowa
Allott	Flanders	Martin, Pa.
Anderson	Frear	McCarthy
Beall	Goldwater	Monroney
Bender	Gore	Mundt
Bennett	Green	Pastore
Bricker	Hayden	Payne
Bush	Hickenlooper	Potter
Butler	Holland	Purtell
Byrd	Hruska	Robertson
Capehart	Humphrey	Saltonstall
Case, N. J.	Ives	Schoeppel
Cotton	Jenner	Scott
Dirksen	Johnston, S. C.	Smith, Maine
Douglas	Kennedy	Smith, N. J.
Duff	Knowland	Thye
Dworshak	Kuchel	Watkins
Eastland	Lehman	Wiley
Ellender	Malone	Williams

NOT VOTING—5

Bridges	Millikin	Welker
Kefauver	Murray	

So Mr. RUSSELL's amendment, as modified, was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLEMENTS. Mr. President, I call up my amendment identified as 3-2-56-C.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 31, line 9, to strike out "two hundred and forty thousand" and insert in lieu thereof "one hundred and ninety thousand."

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky.

Mr. CLEMENTS. Mr. President, the amendment proposes to substitute the figure of 190,000 bushels of wheat for the figure 240,000 bushels of wheat, the latter figure being the one contained in the pending bill. It means that two States which have been taken out of the commercial wheat area can be returned to the commercial area.

The amendment has been discussed with the ranking minority member of the committee. It has been discussed with the chairman of the committee. It has been discussed with those who are considered authorities in the field of wheat legislation in the Senate, and I think it clearly speaks for itself. The figure of 240,000 which was put in the bill was an arbitrary one, and the amendment would merely change the figure to 190,000.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. ELLENDER. As I understand the purpose of the amendment, it is to restore Kentucky and Tennessee to the commercial wheat area?

Mr. CLEMENTS. That is correct. It would put them back into the commercial area.

Mr. ELLENDER. The amendment was discussed with me by the distinguished Senator from Kentucky, and I in turn discussed it with the distinguished Senator from Vermont and with Senators from the wheat States. There is no objection to the amendment, as far as I am concerned.

Mr. AIKEN. Mr. President, I for one have no intention of imposing a non-commercial-area status on States that do not want it. I have no objection to an amendment to the bill which would take Kentucky and Tennessee out of the noncommercial wheat area. I think perhaps next year we might consider the establishment of noncommercial and commercial counties, which would work to the advantage of the States of Kentucky and Tennessee; but we do not want to write any more bills than we have to.

Mr. CLEMENTS. I agree with the the Senator completely. His judgment is borne out by the fact that 85 or 90 percent of the wheat in our States is grown in 7 counties.

Mr. AIKEN. I do not want to undertake to write any bills on commercial and noncommercial areas on the floor of the Senate.

Mr. CLEMENTS. The Senator from Vermont has taken a sound position. It is a little late in the evening to do that.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from North Dakota.

Mr. YOUNG. The junior Senator from North Dakota was the original sponsor of such legislation a few years ago. Certainly I see no objection to the amendment of the Senator from Kentucky, because, as the Senator from Vermont said awhile ago, we do not want to impose a noncommercial status on any wheat State that does not want it.

I think no harm would be worked by accepting the amendment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. BARKLEY. In other words, the change as proposed by the amendment would apply only to the counties producing wheat?

Mr. CLEMENTS. It would apply to the whole State.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. MUNDT. Can the Senator tell us how many States would be returned to the commercial wheat area?

Mr. CLEMENTS. It would return to the commercial area two States, which are not in the commercial area as provided in the bill before the Senate.

Mr. MUNDT. It does not open it up to parts of States or counties?

Mr. CLEMENTS. It does not.

Mr. MUNDT. It would admit two States that are out of the commercial wheat area?

Mr. CLEMENTS. Actually there are two States in the noncommercial area that would be taken out of the noncommercial area.

Mr. ELLENDER. Mr. President, I ask unanimous consent that a short explanation of the amendment be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would enlarge the commercial wheat area provided for by the bill to include all States having allotments in excess of 190,000 acres instead of only those having allotments in excess of 240,000 acres.

On the basis of 1956 allotments the only States affected by this amendment would be Kentucky and Tennessee. Under the bill they would be excluded, but under this amendment they would be included. If the amendment were adopted wheat growers in these two States would be subject to marketing quotas and entitled to full price support. Farmers in the noncommercial area are not subject to quotas or allotments and are entitled to price support at only 75 percent of the level provided in the commercial area.

The PRESIDING OFFICER. Does the Senator from Kentucky yield back the remainder of his time?

Mr. CLEMENTS. The Senator from Kentucky gladly yields back the remainder of his time.

The PRESIDING OFFICER. Does the Senator in charge of the time for the opposition yield back his time?

Mr. KNOWLAND. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. CLEMENTS] on page 31, line 9.

The amendment was agreed to.

Mr. CLEMENTS. Mr. President, I call up my amendment identified as "2-21-56-B," which is now at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed on page 7, line 10, after "burley tobacco," to insert the following: "dark air-cured

tobacco, fire-cured tobacco, Virginia sun-cured tobacco."

On page 8, line 24, after "burley tobacco," to insert the following: "dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco."

On page 11, line 9, after "burley tobacco," to insert the following: "dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco."

MODIFICATION OF UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, I wonder if the Senator from Kentucky will yield to me, before Senators leave the floor, so that I may propose a modification of the unanimous-consent agreement. I should like to have the attention of the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], the distinguished minority leader, the Senator from Kentucky [Mr. CLEMENTS], and the former chairman of the committee, the former Senator from Vermont [Mr. AIKEN].

Mr. President, I ask unanimous consent that the unanimous consent agreement previously entered into, providing for 2 hours debate on any amendment, motion, or appeal, except a motion to lay on the table, be modified so as to limit debate to 1 hour instead of the 2 hours provided in the unanimous-consent agreement under which the Senate is now operating.

Seventy-four amendments have been proposed. The Senate has been meeting at 11 o'clock in the morning and running until 7, and we are apt to become worn out. We wish to give every Senator ample opportunity to be heard.

On the other hand, if we are ever to pass the bill, it will be necessary to make some adjustments. With the time available on the bill, and after talking to the minority leader, the distinguished chairman of the committee, and my friend from Vermont, I believe the proposal I am presenting will give us ample time. If the Senate should agree to the modification, we could proceed more expeditiously.

Mr. KNOWLAND. Mr. President, reserving the right to object, and I shall not object, I think the suggestion which has been made by the majority leader is a constructive one. I have had a chance to discuss it with a number of Senators on this side of the aisle. It seems to me, now that we have taken action on a good many of the major amendments, the modified unanimous-consent agreement will provide ample time for discussion.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? Hearing none, the unanimous-consent agreement is modified accordingly.

Mr. CLEMENTS. Mr. President, the amendment I have presented was offered by my colleague and myself to include dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco in those types of tobacco eligible for participation under the acreage-reserve program. The bill as written makes eligible, under the acreage-reserve program, only flue-cured tobacco, burley tobacco, and cigar binder tobacco types 51, 52, 54, and 55.

This matter was discussed in the Committee on Agriculture and Forestry during the development of the bill; but at that time it was not known whether these growers as a group would wish to be brought in under the acreage-reserve program. That fact has now been ascertained. For that reason, this amendment is offered.

Mr. ELLENDER. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I am glad to yield to the Senator from Louisiana.

Mr. ELLENDER. As I understand, the Senator's amendment simply adds other kinds of tobacco to those already provided for in the bill.

Mr. CLEMENTS. That is correct.

Mr. ELLENDER. Mr. President, I have no objection to the amendment. I have discussed the amendment with the Senator from Vermont [Mr. AIKEN], and he has no objection to it.

I ask unanimous consent that a brief statement in explanation of the amendment be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would include dark air-cured tobacco, fire-cured tobacco, and Virginia sun-cured tobacco in the acreage-reserve program.

Tobacco was not included in the first drafts of the acreage reserve program because of the high cost per acre of an effective program, and because marketing quotas have been more effective in keeping tobacco supplies in line with demand than has been the case with other crops. Cigar binder tobacco was included because of special technological developments in the industry, and burley and flue-cured were added still later.

A normal supply of dark air-cured tobacco equals 2.6 years' domestic consumption and exports, whereas the supply on October 1, 1955, the beginning of the current marketing year, was equal to 4 years' consumption and exports. A normal supply of fire-cured tobacco equals 2.3 years' domestic consumption and exports, whereas the supply on October 1, 1955, the beginning of the current marketing year, was equal to 3.4 years' consumption and exports. A normal supply of Virginia sun-cured tobacco equals 2.7 years' domestic consumption and exports, whereas the supply on October 1, 1955 was equal to only 2.6 years' consumption and exports.

It therefore appears that we have oversupplies of dark air-cured and fire-cured tobaccos of somewhat over a full years' needs, while we do not have any oversupply of Virginia sun-cured tobacco. These supply situations compare with oversupplies of slightly over a half years' needs for flue-cured tobacco, and slightly over three-quarters of a years' needs for burley tobacco.

If these tobaccos should be included in the acreage reserve program, the amount of the national reserve acreage goal for each kind would, of course, be determined by the Secretary under section 204 of the bill at such acreage, if any, as might be appropriate.

The PRESIDING OFFICER. Does the Senator from Kentucky yield back the remainder of his time on the amendment?

Mr. CLEMENTS. I do.

The PRESIDING OFFICER. Does the Senator from California yield back his time on the amendment?

Mr. KNOWLAND. I do.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to amendment of the Senator from Kentucky [Mr. CLEMENTS].

The amendment was agreed to.

Mr. CLEMENTS. Mr. President, on behalf of myself and my colleague [Mr. BARKLEY], I offer the amendment, which is at the desk, identified as "2-21-56-A."

Mr. President, before having the amendment read, I ask unanimous consent that I may yield to my friend, the Senator from Maryland [Mr. BUTLER], so that he may call up an amendment of his which is directly in line with the amendment which has just been agreed to. I ask unanimous consent that I may yield to him, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? Without objection, it is so ordered; and the Senator from Maryland is recognized.

Mr. BUTLER. Mr. President, I thank the distinguished Senator from Kentucky.

I call up my amendment identified as "2-27-56-B," and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Maryland will be stated.

The CHIEF CLERK. On page 7, line 10, after the words "burley tobacco", it is proposed to insert "Maryland tobacco."

On page 8, line 24, after "burley tobacco", it is proposed to insert "Maryland tobacco."

On page 11, line 9, after "burley tobacco", it is proposed to insert "Maryland tobacco."

Mr. BUTLER. Mr. President, I understand that this amendment, being in line with the amendments submitted by the Senator from Kentucky, is entirely acceptable to both sides—to both the Senator in charge of the bill and to the ranking minority member of the Committee on Agriculture and Forestry.

Mr. ELLENDER. Mr. President, I discussed this matter with the distinguished Senator from Maryland. The amendment merely brings in Maryland tobacco, in line, as the Senator from Maryland has stated, with the treatment given in the bill to other tobaccos.

I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would include Maryland tobacco in the acreage reserve program.

Tobacco was not included in the first drafts of the acreage reserve program because of the high cost per acre of an effective program, and because marketing quotas have been more effective in keeping tobacco supplies in line with demand than has been the case with other crops. Cigar binder tobacco was included because of special technological developments in the industry, and burley and flue-cured were added still later. A normal supply of Maryland tobacco equals 2.64 years domestic consumption and exports. The supply on January 1, 1956, the beginning of the current market-

ing year, was equal to a 3.2 years supply, an oversupply of 56 percent of a year's domestic consumption and exports. This compares with oversupplies of 59 percent for flue-cured tobacco and 77 percent for burley tobacco.

If Maryland tobacco should be included in the acreage reserve program, the amount of the national reserve acreage goal for it would, of course, be determined by the Secretary under section 204 of the bill, at such acreage as he should deem proper.

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum I have prepared in connection with the amendment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM BY SENATOR BUTLER

Title II of S. 3183 presently before the Senate is separate and apart from the other provisions of this proposal, and calls for the establishment of a soil-bank program as recommended by President Eisenhower. It is my view that title II of this act constitutes a sound and realistic approach to the intensely difficult problem of mounting farm surpluses of such crops as wheat, corn, rice, and tobacco.

Aside from reducing these surpluses and providing adequate reimbursement to the farmer for the unused acreage, this program would also be in keeping with our Nation's conservation efforts, and would foster the protection of our soil, water, forest and wildlife resources from waste and depletion.

In view of its comprehensive nature and the beneficial effect it would have to both the farmer and the Nation as a whole I am convinced that Maryland tobacco should be included in this program. Maryland tobacco is one of my State's most important agricultural products. Generally, the thousands of Maryland farmers who raise tobacco are faced with the same problems as farmers in other parts of the Nation. This program would be of equal benefit to the tobacco farmers of Maryland as it would to the tobacco farmers of Virginia, the Carolinas, and Kentucky. Flue-cured, burley, and cigar binder types of tobacco as raised in these other sections are included in title II as reported by the Agriculture Committee.

Accordingly, the amendment to title II of Senate bill 3184 which I have offered, providing for the inclusion of Maryland tobacco in the soil-bank program, should be adopted.

The PRESIDING OFFICER. Does the Senator from Maryland yield back the remainder of the time available to him on the amendment?

Mr. BUTLER. I do.

The PRESIDING OFFICER. Does then Senator from California yield back the time available to him on the amendment?

Mr. KNOWLAND. I do.

The PRESIDING OFFICER. All remaining time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Maryland [Mr. BUTLER].

The amendment was agreed to.

Mr. BUTLER. I thank the Senator from Kentucky for yielding to me.

Mr. CLEMENTS. Mr. President, now I call up my amendment identified as "2-21-56-A," which is submitted by me on behalf of myself and my colleague [Mr. BARKLEY].

The PRESIDING OFFICER. The amendment of the Senator from Kentucky will be stated.

The CHIEF CLERK. On page 11, beginning with the word "The," in line 2, it is proposed to strike out through line 5.

Mr. CLEMENTS. Mr. President, the amendment is one which may be recognized by my friend, the Senator from Vermont [Mr. AIKEN] as eliminating the \$100 ceiling on the amount which can be paid through the reserve program for land taken out of tobacco production. Tobacco is the only commodity which, under the pending bill, would have a dollar limitation applied to it. Certainly \$100 is not a realistic figure to apply in reference to tobacco.

Mr. ELLENDER. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I am glad to yield to the Senator from Louisiana.

Mr. ELLENDER. Let me state that originally it was the committee's intention to include in the acreage reserve program certain types of tobacco grown in Connecticut and in Wisconsin. Those who proposed the amendment were willing to accept a maximum payment of \$100 per acre for this type of tobacco. We were told this amount would be ample to induce these farmers to participate in the acreage reserve. Since other types of tobacco have subsequently been added, the cost of production as to these types of tobacco is much greater, and therefore, a payment of \$100 per acre would not be sufficiently great to encourage many tobacco growers of these other types to reduce their allotted acreages.

Since the acreage reserve program is purely voluntary, it should be discretionary with the Secretary of Agriculture to fix the payments at such rates as in his opinion would be advisable and would result in reducing the planting of tobacco from the allotted acres, just as he will be permitted to do with respect to cotton, corn, wheat, peanuts and rice.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement in further explanation of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would remove the \$100 per acre limitation on tobacco acreage reserve payments. Retention of the \$100 per acre limitation on payments would tend to make the program ineffective for tobacco, particularly for burley and flue-cured tobacco. The average loan rate on all tobacco is estimated at about 60 cents per pound. The average per acre yield of all tobacco in 1955 was nearly 1,500 pounds. Thus the potential average price-support return would be a total of \$900 per acre, and it is doubtful that a \$100 payment per acre would draw much tobacco acreage into the acreage reserve.

Mr. CLEMENTS. Mr. President, the chairman of the committee has stated the case well. Certainly it would not be an incentive for the tobacco land to be taken out of production if the figure were left at \$100.

I am sure that my friends, the Senators from Connecticut, who now are

on the floor, will agree with that statement.

Mr. BUSH. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I am glad to yield to the Senator from Connecticut.

Mr. BUSH. I should like to compliment the Senator from Kentucky on offering the amendment, because it does only what is realistic, in recognizing that the value of the tobacco land in our area—and no doubt this is true of the tobacco land in his area, Mr. President—is very great indeed, as compared with the value of most other agricultural land; and the \$100 limitation would not be realistic at all, and probably would thwart the accomplishment of the entire purpose of this part of the program.

So I hope very much that the amendment will be agreed to.

Mr. BARKLEY. Mr. President, will my colleague yield to me?

Mr. CLEMENTS. I am glad to yield to my colleague.

Mr. BARKLEY. Mr. President, a few days ago, when we were discussing the bill, in a colloquy between the Senator from Louisiana and myself, I called attention to the fact that in certain regions of the country where the farmers make many times more than \$100 an acre from their tobacco, there would be no inducement to the farmers to withdraw the land from cultivation, if a \$100 maximum were provided.

I appreciate very much the fact that we are going to eliminate that maximum, because it would be utterly ineffective in reducing the acreage—as is known by all of us who live in tobacco-growing areas; and I think that includes all the tobacco-growing counties in the Nation.

Mr. CLEMENTS. Mr. President, as usual, my colleague has stated the situation very clearly.

Mr. PURTELL. Mr. President, will the Senator from Kentucky yield to me?

Mr. CLEMENTS. I yield.

Mr. PURTELL. I should like to associate myself with the remarks of my colleague [Mr. BUSH]. The \$100 figure is an unrealistic one.

I wish to compliment the Senator from Kentucky for submitting the amendment, and I hope it will prevail.

Mr. CLEMENTS. Mr. President, let me state for the RECORD that both Senators from Connecticut have been interested in this subject from the earliest discussion of it.

Mr. AIKEN. Mr. President, will the Senator from Kentucky yield 2 minutes to me?

Mr. CLEMENTS. I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I wish to say that I have no objection to the amendment offered by the Senator from Kentucky, although it puts a little additional burden on the Secretary of Agriculture.

I would not want it to be assumed, however, that the tobacco grower would receive 50 percent of the value of his crop for not planting it, because in some counties that would amount to \$400 or \$500 an acre; and I am afraid that there would be a public rebellion if we made

payments as high as would be required in some counties in that case.

Furthermore, in some counties, tobacco is selling for up to 90 percent of parity. I assume that those farmers would not be particularly interested in reducing their acreage, if they could get a good price for the tobacco they grow.

In the case of some types of tobacco, the farmers must reduce their acreage; and I assume that under the soil-bank provisions of the bill, we shall make it possible for them to reduce their acreage without reducing their income precipitantly.

But I do not want it assumed that the tobacco growers would receive \$400 or \$500 an acre. I do not assume they would receive that much.

Mr. CLEMENTS. Mr. President, I wish to say that, so far as I know, it has not been assumed that any particular figure would be suggested to the Secretary of Agriculture. He would make this evaluation along with the other evaluations he would make in connection with the other commodities he will have to consider under the reserve program.

Mr. AIKEN. I have no objection at all to the amendment, Mr. President. In fact, we would have saved ourselves a considerable amount of difficulty if we had used the word "tobacco" in connection with other types, because now, by means of amendments to the bill, we have included practically all the other types.

Mr. CLEMENTS. I heartily agree with my distinguished friend. However, as he knows, the first tobacco that was considered was the cigar binder from Connecticut.

Mr. AIKEN. That is correct.

Mr. CLEMENTS. Then discussions were had with growers of other types of tobacco. That had to be done before any consideration could be given to this amendment.

Mr. AIKEN. I have no objection to including other types of tobacco, but up to that time the producers of such types of tobacco had not indicated any desire to be included.

Mr. CLEMENTS. Mr. President, I yield back any remaining time. I assume that those who control the time on the other side will be glad to yield back any unused time.

The PRESIDING OFFICER. Does the Senator from California yield back the unused time?

Mr. KNOWLAND. Yes, Mr. President; I am glad to yield back the unused time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. CLEMENTS] for himself and his colleague [Mr. BARKLEY].

The amendment was agreed to.

Mr. CLEMENTS. Mr. President, I send to the desk an amendment and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. BRICKER. Mr. President, I should like to ask the chairman of the

committee a question in regard to long-filler tobacco types produced in my State. I have submitted an amendment, designated as "3-7-56-H," which would bring them under the soil-bank provisions of the bill, if the amendment is finally adopted. I think the chairman is willing to accept the amendment, which I have slightly modified.

Mr. ELLENDER. Mr. President, I am willing to accept the amendment. It brings three types of tobacco grown in Ohio into the acreage reserve program under the same terms and conditions as apply to the other types of tobacco we have just been discussing.

Mr. BRICKER. This provision has always been in previous bills but the committee neglected to place it in the bill this time because it did not appeal to the committee. Later it was thought to be desirable to include it in the bill.

I wish to thank the chairman of the committee for accepting the amendment, which I now offer.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 7, line 10, it is proposed to delete the word, "and." In line 11, after the number "55", it is proposed to insert "and Ohio cigar filler tobacco types 42, 43 and 44."

On page 8, line 24, it is proposed to delete the word "and." In line 25, after the number "55", it is proposed to insert "and Ohio cigar filler tobacco types 42, 43 and 44."

On page 11, line 9, it is proposed to delete the word "and." In line 10, after the number "55", it is proposed to insert "and Ohio cigar filler tobacco types 42, 43 and 44."

Mr. ELLENDER. Mr. President, I send to the desk a brief explanation of the amendment and ask that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This amendment would permit producers of Ohio cigar filler tobacco types 42, 43, and 44 to participate in the acreage reserve program.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. BRICKER].

The amendment was agreed to.

Mr. WILLIAMS. Mr. President, on behalf of the Senators from Indiana [Mr. CAPEHART and Mr. JENNER] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware, for himself and other Senators, will be stated.

The LEGISLATIVE CLERK. On page 25, between lines 14 and 15, it is proposed to insert the following:

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

SEC. 225. No lease executed, renewed, or permitted to extend beyond its earliest termination or cancellation date by any agency of the United States as lessor after the enactment of this act shall permit the lessee

to produce on any land subject to such lease any agricultural commodity (other than livestock or livestock products) determined by the Secretary of Agriculture to be in surplus supply; but this section shall not be applicable to lands leased to the persons from whom they were acquired by condemnation, or under threat of condemnation, or to the lands in wildlife refuges if the President determines that the application of this section would interfere with the effective administration of such wildlife refuges, or to lands acquired adjacent to flood-control reservoirs.

Mr. WILLIAMS. Mr. President, I may say that this is the same as the amendment designated "3-5-56-B," which is printed and lying on the desk, with a slight modification recommended by the Department.

Mr. CAPEHART. Mr. President, will the Senator yield to me for 2 minutes?

Mr. WILLIAMS. I yield 2 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I think this is an excellent amendment. I have an amendment lying on the table which would do exactly the same thing, and I was happy to join with the Senator from Delaware and my colleague [Mr. JENNER] in offering this amendment.

I cannot make up my mind, when we are asking farmers to reduce their production on land which they own, to permit the Government to lease lands which it owns for the production of foodstuffs. It does not make sense to me.

So long as we have a surplus, as we have today, I think the Government ought not to compete with private enterprise, meaning the farmers themselves who farm their own land, and the farmers who lease land. I am in hearty accord with this amendment. I appreciate the concurrence of the chairman of the Committee on Agriculture and Forestry.

Mr. ELLENDER. Mr. President, will the Senator yield 2 minutes to me?

Mr. WILLIAMS. I yield 2 minutes to the Senator from Louisiana.

Mr. ELLENDER. When the amendment was first presented I urged objections to it, but the distinguished Senator from Delaware agreed to insert language in the amendment whereby it would not be applicable to lands leased by the Government to the persons from whom they were originally acquired by condemnation, or under threat of condemnation.

A great deal of land has been taken over by the Government through eminent-domain proceedings. The owners were involuntarily deprived of that land. Since those lands have been exempted, as set out in the amendment by the language which the distinguished Senator has now added to the amendment, I have no objection to it.

Mr. WILLIAMS. Mr. President, I shall incorporate in the RECORD most of my comments with respect to this amendment.

The Government has involved in this provision about 1,400,000 acres of land. As the Senator from Indiana pointed out, the United States Government itself should be the first participant in the soil bank, by setting such land aside. The safeguards pointed out by the Senator from Louisiana are incorporated in the

amendment. The point was called to our attention, and we held up the amendment until we could consult those in the Department. It appeared that extreme hardship would be worked in such cases unless this modification were made.

Inasmuch as the chairman accepts the amendment, I ask unanimous consent that the statement which I have prepared be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILLIAMS

As of June 30, 1954, there were about 1,400,000 acres of Federal lands used for general farming purposes and suitable for crop production and 245,589,000 acres of federally owned grazing lands. These totals do not include 3,900,000 of arable Indian lands or 44,000,000 acres of grazing Indian lands. The 1,400,000 acres used for general farming purposes were divided among the various agencies as follows:

	Acres
Department of Defense.....	1,192,000
Bureau of Reclamation.....	80,000
Fish and Wildlife Service.....	80,000
Other agencies.....	69,000

Those lands shown to be under the jurisdiction of "other agencies" included approximately 3,000 acres used for experimental purposes, and prison and hospital farms. We are advised that the 80,000 acres leased by the Fish and Wildlife Service are leased primarily to produce feed for wildlife, the tenant taking the usual tenant's share in kind and leaving the balance unharvested for wildlife.

This amendment will prohibit the negotiation of new leases or the renewal of old leases upon their expiration date until such time as the Secretary of Agriculture should declare that the production of these crops were needed.

If we are to start a soil bank for the purpose of removing from production surplus acreage, then let the Government be the first landlord to place its acreage under this program.

The adoption of this amendment would save the Government millions of dollars.

While it is true that the Government will lose the rental on this land, that would be many times offset by the savings resulting from the addition of millions of acres to the soil bank without the necessity of further payments.

The removal of this acreage from production would also eliminate substantial amounts of agriculture products from the market and thereby reduce the cost of administering the support program.

Certainly the Government should lead the way toward placing its surplus acreage under a reserve bank program.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief explanation of the amendment as originally presented, together with a letter from the office of the Assistant Secretary of Defense pertaining to this subject; also a memorandum from James R. Anderson, agricultural economist in the Department of Agriculture, to Harkev Stanton, the chief counsel of the committee, outlining where these lands are located.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would prohibit the leasing of Government lands for the production

of surplus agricultural commodities. It would not, however, prohibit permits or leases for grazing.

As of June 30, 1954, there were about 1,400,000 acres of Federal lands used for general farming purposes and suitable for crop production which were divided among the various agencies as follows:

	Acres
Department of Defense.....	1,192,000
Bureau of Reclamation.....	80,000
Fish and Wildlife Service.....	80,000
Other agencies.....	69,000

The 80,000 acres leased by the Fish and Wildlife Service are primarily lands in wildlife refuges leased to produce feed for wildlife, the tenant taking the usual tenant's share in kind and leaving the balance unharvested for wildlife. Possibly these lands could be used for crop production by contract rather than by lease, but if feed is to be provided in these refuges it would appear that these lands will have to be used. In the case of Reclamation Bureau lands it is probable that the lands leased are either lands that have been taken for project construction and which are leased to the former owners pending construction, or lands which are subject to flooding at times. In either event the rentals are used to reduce project costs repayable by the water users.

OFFICE OF THE ASSISTANT

SECRETARY OF DEFENSE,

Washington, D. C., March 8, 1956.

Hon. ALLEN J. ELLENDER, Sr.,

Chairman, Committee on Agriculture,
United States Senate.

DEAR SENATOR ELLENDER: In response to the request made by telephone by Mr. Harker T. Stanton, counsel for your committee, I am writing concerning the so-called Capehart and Williams amendment to S. 3183.

Department of Defense and executive branch studies are well advanced on this problem of use of Government-owned lands for agricultural production, but formal views and a Defense Department position cannot be transmitted at this time. However, the following comments are offered in the hope that they may be of some present assistance to you and your Senate associates.

A substantial amount of Government-owned property is out-leased for agricultural use. Approximately 1.1 million acres of such land are now out-leased for crop production. The Departments of the Army, Navy, and Air Force out-leased 436,000 acres of the 1.1 million acres for crop production. In addition, the Department of the Army out-leased 520,000 acres of Civil Works property for crop production.

The Williams amendment to S. 3183 would prohibit any Government department from leasing any Government-owned property for the production of any cultivated crop in surplus supply. You may wish to consider the advisability of establishing statutory prohibitions to accomplish what might also be effected by administrative action, inasmuch as the statutory prohibition would be more rigid and might impede the general land-management program.

The Capehart amendment to S. 3183 would prohibit leasing of Government-owned land for any agricultural purpose except grazing, and it would require all excess Government-owned agricultural land to be disposed of in accordance with existing law. In addition to the comment above on the Williams amendment, which applies also to this amendment, the enactment of this proposal would effect the withdrawal of thousands of acres from crop production, and might have a serious impact on the economy of certain communities.

There are two further observations that might be made at this time for your consideration.

First, any program for substantial reduction in crop production would not only reduce the income from Government-owned lands, but would require the spending of Federal funds for cover crops and other land conservation purposes.

Additionally, it would seem logical to consider whether in the event the soil-bank program is established, it is desirable to force disposal of Government-owned lands which can be better controlled as to production in Government hands, but would be available for crop production in the hands of other purchasers.

As quickly as current studies of this problem have been completed and cleared, we will be in a position to comment further should you so request.

Sincerely yours,

LORNE KENNEDY,
Deputy, Legislative Affairs.

MARCH 12, 1956.

To: Harker T. Stanton, Senate Agricultural Committee, Room 324, Senate Office Building.

From: James R. Anderson, Agricultural Economist, Land and Water Section, Production Economics Research Branch, Agricultural Research Service.

Subject: Regional distribution of land leased for agricultural purposes by Department of Defense and United States total for other agencies.

The attached tabulation gives the breakdown of land leased for agricultural purposes by the Department of Defense and United States totals for other Federal agencies. A regional breakdown of land leased for farming by other agencies is not readily available. Land leased for grazing is not included in these totals for agricultural land.

A list of States included in the farm production regions is attached.

JAMES R. ANDERSON.

Land leased for farming by Department of Defense, and other agencies, by regions, 1954

1. Department of Defense lands used for farming:¹

Region:	Acres
Northeast	20, 014
Corn Belt	143, 430
Lake States	5, 367
Northern Plains	357, 775
Appalachian	87, 727
Southeast	31, 214
Delta	122, 520
Southern Plains	181, 303
Mountain	75, 482
Pacific	166, 988

Total

2. Other Federal lands used for farming:

Bureau of Reclamation ²	80, 000
Fish and Wildlife Service ³	80, 000
Other agencies ⁴	69, 000

Total

¹ As of June 30, 1954. Agricultural leases only; does not include land leased for grazing.

² Public lands in reclamation projects in Western States in process of development which are leased out temporarily for farming. When irrigation development is completed it is expected that these lands will be available for homesteading or sale to qualified persons.

³ Wildlife refuge lands used primarily to produce feed for wildlife.

⁴ Miscellaneous federally owned areas used for farming, including experimental farms, institutional lands, such as schools, hospitals, prisons, protective belts around reservoirs, and odd tracts of land.

STATE AND REGION

Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, District of Columbia.

Corn Belt: Ohio, Indiana, Illinois, Iowa, Missouri.

Lake States: Michigan, Wisconsin, Minnesota.

Appalachian: Virginia, West Virginia, North Carolina, Kentucky, Tennessee.

Southeast: South Carolina, Georgia, Florida, Alabama.

Delta States: Mississippi, Arkansas, Louisiana.

Southern Plains: Oklahoma, Texas.

Northern Plains: North Dakota, South Dakota, Nebraska, Kansas.

Mountain: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Pacific: Washington, Oregon, California.

The PRESIDING OFFICER. Do Senators who control the time desire to yield back the unused time?

Mr. WILLIAMS. Mr. President, I yield back any unused time on my side.

Mr. KNOWLAND. Mr. President, I yield back all unused time on our side.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] on behalf of himself and other Senators.

The amendment was agreed to.

Mr. WILLIAMS. Mr. President, on behalf of the junior Senator from Indiana [Mr. JENNER] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware on behalf of himself and the Senator from Indiana [Mr. JENNER] will be stated.

The LEGISLATIVE CLERK. On page 15, line 5, after the period, it is proposed to insert the following:

No annual payment to any person with respect to land in any one State shall exceed \$7,500.

Mr. WILLIAMS. Mr. President, I yield myself 2 minutes.

Yesterday, the Senate, by an overwhelming vote, adopted certain restrictions in regard to the acreage reserve program, and also with respect to price support loans which would be available to any one individual. This amendment merely carries out that principle, which was applied in connection with the other programs, by establishing a ceiling of \$7,500 on the amount which may be paid to any one individual in any one State in connection with the conservation reserve.

I have discussed the matter with the Department of Agriculture, and I understand this would be adequate in the opinion of the Department to take care of the needs of bona fide farmers. I understand again that the Senator from Louisiana [Mr. ELLENDER] has no objection to accepting the amendment.

Mr. ELLENDER. Mr. President, I wish to state that when we originally considered the bill in committee there was a limitation placed in it of \$5,000 for the conservation reserve program. I have been informed that the amount of

\$7,500 is a realistic one, and one that is recommended by the Department. As chairman of the committee I have no objection to the adoption of the amendment.

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time for debate has been yielded back. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] for himself and the Senator from Indiana [Mr. JENNER].

The amendment was agreed to.

FOREIGN POLICY—ADDRESS DELIVERED BY GEORGE MEANY, PRESIDENT OF AFL-CIO

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the very able address delivered by President George Meany, president of AFL-CIO, at a dinner at the Waldorf-Astoria Hotel on March 6, on the occasion of his being awarded an honorary doctorate of laws degree by Long Island University. The address deals with America's foreign policy. I believe it is worthy of the attention of all Members of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I deeply appreciate the honor your great institution of learning has conferred upon me. I interpret this action on your part as a tribute to American labor generally, rather than to me personally. I feel it indicates recognition of the AFL-CIO as a potent force for upholding the cherished traditions of justice and human freedom upon which our Nation is founded. In this light, I am all the more thankful.

Even in the days when organized labor in our country counted its strength in the thousands or hundreds and not in millions, as we do today, it was the champion of free public education. We were pioneers in this field because our movement has always been both democratic and humanitarian. We have always realized that man does not live by bread alone. The very character of our movement links us closely and firmly with education as a human need and social force.

As our movement has grown in stature and strength, it became more effective in helping every section of our national community. Organized labor has become an indispensable force for protecting and promoting our democratic way of life. We have the highest interest in the cultural enrichment of our Nation and the spiritual fulfillment of its citizenry.

At this crucial juncture of history, America can count on its labor movement to help our Nation fulfill its great responsibilities in meeting the most important and decisive challenge facing humanity today: The preservation and strengthening of human freedom and the attainment of just and lasting world peace. I stress this especially at this time because the recent 20th congress of the Soviet Communist Party has generated in some quarters dangerous illusions and false hopes.

Education, as such, is no sure source of humanitarianism, no guarantee for peace or freedom. The Nazi warlords did not treat the physical sciences and technical education as stepchildren. Hitler used with deadly effectiveness those educated in these fields

for bolstering the despotic and destructive aims of nazism. Nor do Communist regimes treat their scientists and technicians as neglected orphans. They provide their scientists with every facility and full opportunity to develop their knowledge and capacities for building engines of vast destruction and organs for mass brutalization.

What is lacking in education under totalitarian regimes of the Communist-Nazis is a certain humane spirit, a certain faith, faith in the freedom of the human spirit and mind. Their fanaticism is intense. But this fanaticism is the very opposite of our moral faith and fervor. It lacks a human quality. This lack explains the degradation of art and literature under totalitarian regimes. This inhumanity inherent in the Communist way of life accounts for the stagnation and even deterioration of the conditions of the great mass of the people in the Soviet orbit.

Nor is education in the liberal arts, *per se*, the answer.

Divorced from the people and the democratic way of life, such education would lead only to a cloister of the mind—a cloister without human conscience or morals. The challenge and threat of our times demand that our country develop humanitarian scientists as well as scientific humanitarians. They must be realistic humanitarians and not prisoners of dogmas or clichés. These are only obstacles to clear, critical and constructive thinking. Our scientists should not be satisfied with merely enjoying freedom and facilities to pursue their physical and technical research. They should be dedicated to the service of the great mass of the people, to the well-being and the dignity of the individual as a human being. Unless we of the free world steadfastly adhere to these fundamental humanitarian values and moral standards, we will lose our struggle against international Communist tyranny, for we shall have failed to preserve and promote freedom at home.

In the fight between freedom and totalitarianism, the free university, like every other humane institution, dare not be neutral.

Our schools of learning cannot be merely mechanical reflectors—some sort of scientific mirrors—of the two forces in combat. They must be schools for humanitarian service and moral leadership—training centers for the basic values of life, for making life ever fuller in the spiritual as well as the material sense. Those who would make use of our fundamental democratic rights for the purpose of destroying democracy itself and replacing it with some form of totalitarian dictatorship—whether it be Nazi, Fascist, Communist, or Falangist—have no place in genuinely free academic institutions. That does not mean that everyone of us must think alike and must conform in his thoughts to orders from above. Our schools must be laboratories of thought and ideas, if they are to serve our free way of life and its free institutions.

Those who are in earnest about eliminating the evil of conformism, wherever it is manifested in our country, should be just as enthusiastic in commending the students at Georgia Tech for demonstrating in behalf of the right of a Negro to play on a college football team as they are in condemning racist rowdism against a Negro co-ed at the University of Alabama.

Today, the gravest threat to freedom of thought and all other basic human freedoms is to be found in the totalitarian philosophy and movement fostered and financed by the Soviet dictatorship. The genuine fighter against conformism must recognize that communism is its most perilous expression. In our opposition to even the slightest conformism in our own country, we must therefore guard against cooperating with Communists whose dogmas and deeds are the very negation of freedom of thought.

Our country plays a vital role in the international arena. The eyes of the world are on all our institutions. We must spare no effort and lose no time in eliminating any antidemocratic expressions in our way of life. In this connection, I can assure you that labor will yield to none in acting to eliminate from our country race prejudice in every form, in every field of human endeavor, in every part of the land.

Thank God that in our democracy no one has to conform even with the highest government official. Wishful thinking and leap-year political partisanship have caused some to paint a distorted picture of the last Congress of the CPSU. We have been asked to believe that the free world—in comparison with the Communist orbit—is today stronger than it was a year ago; that Moscow has been forced, as a result of our increased strength, to revise its strategy and go about the world seeking friends on a new basis. Frankly, I do not believe this is true. In addition, I find it hard to believe any one in official positions of responsibility in our Government really thinks this is true.

What are the facts? Despite all of the world-shaking noise made at the 20th Communist Congress, and, on many occasions before, about reforming the Soviet system, it remains the same—a monolithic one-party dictatorship in the hands of a narrow clique whose policies are always unanimously approved by those handpicked by the Communist ruling group to represent the people.

This system is maintained by a ruthless police state. It holds many millions in slave labor camps and prisons. It maintains its stranglehold through a continuing purge by firing squads and a complete denial of the democratic rights of labor and the fundamental human rights proclaimed in our country's bill of rights. For the people behind the Iron Curtain, the dictatorship is no less oppressive when it is run by 11 tyrants trained in the Stalinist school than when it was run by a single despot.

The Soviet system is today further away from ours than it ever was, because in our country democracy has been making headway. Hence, there is no basis whatsoever for the conclusion that the Kremlin now realizes that it must bring its system closer to ours.

Surely we must realize this is not the first time that the Russian Communists have revised their strategy. Surely there are some of us who remember June 21, 1941 when Moscow changed its mind about Hitler being a great patriot defending the German people and world peace.

The Russian Communists have been constantly revising their strategy. But neither at the 20th, nor at any other, party congress have they changed their basic and ultimate aim—the conquest of the entire world and its transformation on the Soviet slave pattern.

If the present world crisis could be dealt with simply on the basis of diplomatic pacts between nations, it would not be so serious. We would then be dealing with paper perils and a pen-and-ink crisis. I do not belittle the value of pacts—especially if and when they are genuinely in the service of peace and freedom. But the mere conclusion of a pact is in itself no proof of its effectiveness as a force for peace. The Molotov project for a collective security pact as well as the Warsaw Pact do not mean that Moscow is copying our mutual-security program. NATO seeks peace and has helped preserve peace and security. Their mutual-security programs aim at strengthening the forces of Communist aggression and dividing the democratic world.

Russia, without doubt, has many serious weaknesses in agriculture, industry, and its relations with its satellites. Unfortunately, the leadership of the democratic world has not done enough to exploit these weaknesses

and impair the prestige and power of the Communist warlords. Self-deception in regard to the 20th Communist Party Congress would only aggravate this failure on the part of the free world.

The recent congress under Khrushchev did not forswear a single one of its old basic policies of intolerance toward non-Communists and violence as a means of getting results. The anemic posthumous purge of Stalin does not constitute a repudiation of or a break with his basic policies for agriculture, the primacy of heavy industry, and secondary attention to consumers' goods. Furthermore, the congress has reasserted unanimously that the foreign policy of the U. S. S. R. has been continuously correct and for peace—during and after Stalin. This, of course, means Soviet policy in regard to disarmament, as well as its policy toward Germany, Korea, and Indochina.

Had the 20th Communist Congress decided on a genuine and serious purge of Stalin and Stalinism, it would have acted not merely against the dead despot but first of all against the leading surviving Stalinists. However, it is precisely these figures who constitute the present so-called collective leadership.

Make-believe rehabilitation of some of those assassinated by the Stalin regime does not eliminate the roots of the evil. But what else can one expect from those who have for decades been the sinister agents and servile accomplices of Stalin in his worst crimes against the peoples now behind the Iron Curtain in Europe and Asia and against the peace of the world?

These successors to Stalin know there is deep-going resentment and embitterment among the Russians and other peoples over the unbridled Communist terrorism. They are trying to fool the Soviet people by putting all blame on their dead leader whom they but yesterday worshipped as an infallible deity.

In typical Stalinist fashion, Khrushchev is now making a scapegoat of Beria—his comrade and partner in crime whom he had placed before the firing squad. Only when the Soviet peoples mete out full justice to these criminals, will the U. S. S. R. begin to have a system closer to ours.

If the Communist top leaders in the Kremlin have agreed, at least for a while, to stop shooting each other, it does not follow that they will stop shooting at us. To the extent they can really close their ranks, they are even more dangerous to world peace and freedom.

There is not the slightest reason for freedom-loving people anywhere to rejoice over Khrushchev and Mikoyan saying that, under special circumstances, the Communist revolution might be achieved through parliamentary means and without resorting to violence. Tomorrow, as yesterday in the case of Czechoslovakia, it will be the Kremlin that will decide what are such "peaceful" special circumstances.

Moreover, the so-called Khrushchev revision on the dogma does not mean that a "peaceful" Communist revolution will do anything else but destroy the democratic parliamentary system and replace it with a Soviet type of one-party totalitarian dictatorship. Yes, we can look at Czechoslovakia as an infamous example of a "peaceful" Communist revolution.

Only those free men who want to commit suicide should swallow this Khrushchev revision pill. These new tactics are only a new variant of the tactics of infiltration employed by Moscow. The aim of the new line is to fool the people—especially the workers—of the non-Communist countries into united fronts with Moscow's agencies abroad. Its aim is to get its Communist agents into cabinets of popular front governments.

The 20th Communist Congress boasted that socialism has triumphed in the U. S. S. R. and that it will triumph through the world.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 15, 1956
For actions of March 14, 1956
84th 2nd, No. 45

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HIGHLIGHTS: Senate continued debate on farm bill. Rep. Sullivan urged establishment of food-stamp plan. House subcommittee ordered reported bill regarding land purchase in Superior Forest.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. pp. 4154-71, 4179-4200

Agreed to the following amendments:

By Sen. Stennis, to make cotton allotments for 1957 and 1958 the same as for 1956. pp. 4166-8

By Sen. Hayden, to broaden the Sec. 22 quota for cotton to include certain real long staples now exempt, and requires CCC to sell for export domestically produced long staple cotton in an amount equal to an amount earlier obtained for stockpile purposes. p. 4168

By Sen. Humphrey, to increase Title II (Public Law 480) funds from \$300 million to \$500 million, permit payment of ocean freight on such shipments, authorize CCC to pay processing costs under Sec. 416 donations, and permit payment of ocean freight (to be financed out of Title II funds) for such shipments. pp. 4168-71

By Sen. Byrd, to change the marketing penalty provision for peanuts from 50 to 75 percent of the support price. pp. 4165-66

By Sen. Humphrey, to extend the school milk and brucellosis eradication programs, by a vote of 89 to 0 (same as bill previously passed by the Senate and now in conference). pp. 4180-89

By Sen. O'Mahoney, as modified, to provide that the Secretary shall submit to Congress prior to Feb. 1, 1957 a full program of operations under the bill which will require expenditures prior to July 1, 1957, and that after February 1, 1957, no funds of the CCC shall be used for carrying out the provisions of the bill. pp. 4194-96

By Sen. Bennett, to provide for a full and complete study of the present voluntary meat grading system. pp. 4196-4199

Rejected the following amendments:

By Sen. George, to strike out the provision in the bill for cotton supports to be based on average grade and staple length, by a vote of 42 to 47. The effect of the amendment would have been to return to the provision (in existing law) for 7/8 inch middling. pp. 4154-61

By Sen. McCarthy, to provide for 90% price supports for dairy products. pp. 4161-65

By Sen. Payne, to provide that commodities other than those basic commodities appearing under title I of the Agricultural Act of 1949 as amended be eligible to participate in the acreage reserve program, by a vote of 29 to 58. pp. 4189-94

Sen. Barrett submitted and later withdrew an amendment to provide an import quota on woolen fabrics. pp. 4199-4200

Pending at adjournment was an amendment by Sen. Aiken to eliminate the use of the dual parity formula permitted by the bill. p. 4200

2. NOMINATIONS. The Interstate and Foreign Commerce Committee reported the nominations of Donald P. McPherson and Laurence Walrath to be Commissioners of ICC. p. 4141
3. ELECTRIFICATION. Sen. Langer inserted an REA coop letter referring to a series of resolutions adopted at their annual meeting. p. 4142
4. FORESTRY; MINING. Sen. Goldwater defended the actions of Secretary McKay in the Al Sarena "case," and inserted a newspaper editorial in support of his position. p. 4149
Sen. Bennett inserted a statement he had prepared concerning the need for improving national forest recreation facilities. p. 4200
5. MEAT INSPECTION. Sen. Holland inserted a proclamation by the Governor of Florida commemorating the 50th anniversary of the food and drug law. p. 4151

HOUSE

6. NATIONAL FORESTS. The Agriculture Subcommittee on Forests ordered favorably reported H. R. 8657, to safeguard and consolidate certain areas of exceptional public value within the Superior National Forest. p. D235
7. FARM LOANS. The Interior and Insular Affairs Subcommittee on Territories ordered reported with amendment H. R. 8385, to transfer the administration of Puerto Rican hurricane loans from the Interior Department to this Department. p. D236

ITEMS IN THE APPENDIX

8. PERSONNEL. Speech in the House by Rep. Thomas during debate on the independent offices appropriation bill objecting to the provision relating to compulsory age retirement and stating that performance should be the test as to the capabilities of a person. p. A2311
9. SURPLUS COMMODITIES. Extension of remarks of Rep. Sullivan urging an amendment to the social-security program to provide for the establishment of a food stamp plan to distribute surplus food to needy Americans and inserting her statement before the Senate Finance Committee on this proposal and a letter which she

Senators and Representatives in opposing, even by lawful means, an end to segregation. But these people also know that demagogery on either side can cause great harm and undo much that has already been done to better relations between the races in the South.

The Congressmen pleaded for understanding of their case when they wrote of the decisions upholding the right to create dual school systems: "This interpretation, restated time and again, became a part of the life of the people of many of the States and confirmed their habits, customs, traditions, and way of life."

One may argue that the custom is wrong and still know that no court can change a people's thinking overnight; the Supreme Court recognized that when it handed down the ban on segregated schools. And it can be dangerous to try to force that change immediately on an unwilling people.

The statement of principles is a reminder of that danger, just as it is a reminder that the Supreme Court decision it attacks also called for understanding and restraint on both sides.

[From the Portland (Maine) Press Herald]

SOUTH HAS NO MONOPOLY ON THING CALLED INTERPOSITION

When Southern States are charged with defying the Constitution by resorting to interposition against public school integration, they can retort that Northern States resorted to similar tactics in the decade preceding the Civil War. The Supreme Court ruled in 1842 that State authorities could not be compelled to help Federal authorities enforce the 1793 Federal act for return of fugitive slaves.

Thereupon various Northern States passed personal-liberty laws forbidding their authorities to help enforce the 1793 law. So the South put across a new Federal fugitive slave law, as part of the compromise of 1850.

The new law denied the right of jury trial in fugitive slave cases, forbade the fugitives to testify or to present witnesses, penalized any person aiding them, allowed escape and identity of the prisoner to be determined on very slim evidence, doubled the fees of United States commissioners enforcing the act if they decided for the slave owner. In the following decade new personal-liberty laws contravening the 1850 act were enacted by Connecticut, Kansas, Maine, Massachusetts, Michigan, Rhode Island, Vermont, and Wisconsin.

In Wisconsin a newspaper editor, Sherman M. Booth, was indicted in Federal court for helping a fugitive slave to escape. In 1855, the State supreme court declared the 1850 Federal act unconstitutional in upholding a writ of habeas corpus issued for Booth by a State court.

In January of 1857 the United States Supreme Court, reversing the State court, ordered the habeas corpus writ vacated. Thereupon the State legislature, in 1859, resolved that the Court had gone beyond its authority so that its order was void and without force.

The Federal Government, declared the legislature, is not exclusive and final judge of its own powers. As in all compacts between parties with no common judge between them, each party may judge for itself any infraction of the compact, and hence may defy any unauthorized action attempted under color of the Constitution. Sounds familiar; doesn't it?

EXTEND THE LIFE AND FUNDS OF THE DELINQUENCY SUBCOMMITTEE—FULFILL THE NATION'S RE- SPONSIBILITY IN THE FIELD OF JUVENILE DELINQUENCY

Mr. WILEY. Mr. President, as a member of the Senate Judiciary's Sub-

committee on Juvenile Delinquency, I have been most anxious to see the necessary appropriation of funds to carry on the invaluable work performed by our group. The amount of money which our subcommittee had originally requested, and which the full Senate Judiciary Committee had approved for transmittal to the Rules Committee, may unfortunately be scaled down once again. I hope, however, it will not be scaled down to such an extent as to prevent us from doing our broad-gauged job.

It may not be generally realized, but the cost to our country of a few individual teen-age gangs, doing damage in a single American city, may actually add up to a far higher total than the modest amount of money which our Juvenile Delinquency Subcommittee will be getting to complete its work this year.

Of course, we realize that there must necessarily be limitations on the amount of spending for congressional committees. But I, for one, have always felt that it is sound economy to apply preventive expenditures in time, so as to avoid terrible losses later on.

Who can possibly estimate the cost of having 1 million American youngsters get into trouble with the law? Who can put a dollar figure on the cost of a single broken family—broken because a youngster has been put behind the bars of a juvenile home, or later in an adult jail? Who can estimate the cost of the lost income which that youngster, himself, might otherwise have made in his later years, or the cost to society of tracking him down in the first place, and then keeping him behind bars?

At any rate, I am hoping that the Senate will shortly give its approval to a fair compromise figure which may be agreed upon, so as to complete the work of our subcommittee. I know that I speak for our distinguished and industrious chairman, the senior Senator from Tennessee [Mr. KEFAUVER], in stating that the subcommittee's endeavors will indeed come to an end—with no further extension whatsoever—next January 31st, when we shall have rounded out our entire program. Pending right now are important subcommittee reports dealing with juvenile delinquency and religion, and juvenile delinquency and the terrible evil of pornography.

Meanwhile, throughout the Nation, editorials continue to back us up and to point out many phases of the juvenile delinquency problem. One such phase is the matter of parental responsibility. Recently, the Nation's greatest law enforcement official, the honored man in whom we have rightly entrusted most of the responsibility for apprehension of those who evade Federal laws in interstate commerce, the Honorable J. Edgar Hoover, emphasized how crucial a role parents may play in discharging or failing to discharge their responsibilities to their youngsters and to their communities. Mr. Hoover's frank and vigorous comments occasioned widespread editorial approval throughout the country. As Mr. Hoover and all the rest of us realize, it is, of course, exceedingly difficult to try to set up an enforcement and penalty system to make parents live up

to all their responsibilities, because this is a matter of individual conscience and of community conscience in awakening parent interest.

I send to the desk a pertinent editorial from the Monroe Evening Times, of Monroe, Wis. It also raises a most important auxiliary issue, namely, the matter of parents' responsibility for the awful toll on the Nation's highways because of accidents committed by reckless youngsters who drive their parents' cars.

Finally, Mr. President, as a further grassroots expression, I submit another Wisconsin editorial—this one from the March 6 Janesville Gazette, and entitled "Teen-Age Boys on the Loose." It is a hard-hitting, factual, straight-shooting editorial on youth vandalism and parental responsibility and irresponsibility. I ask unanimous consent that these two editorials be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Monroe (Wis.) Evening Times]

APATHY AND CONSCIENCE

FBI's J. Edgar Hoover placed his finger squarely on the principal cause of increasing juvenile problems, now lumped together under the general heading of "juvenile delinquency."

Mr. Hoover, in the FBI law-enforcement bulletin, declares the basic or common factor in causes of rising juvenile crime stem from two reasons: apathy on the part of parents and their failure to properly discharge responsibilities to their children.

He went on to observe: "This basic failure is appallingly prevalent; and the regrettable fact is that the irresponsible parents who neglect their duty continue to do so because they are not held accountable for their dereliction."

"It is my firm belief that juvenile crime could be abated if parents were made to face legal and financial responsibilities for the criminal acts of their children."

Such liability and such accountability, of course, on the part of parents long have been sought by legislators and judicial figures. It results from the growing tendency of parents in unfortunate situations to shrug their shoulders and confess inability to supervise the conduct of their children.

Mr. Hoover, of course, speaks only from the standpoint of crime in his remarks. That, naturally, is the only province of the FBI and its reports concern only those situations in which actual delinquency in the real sense of the word is involved.

There is another field, however, in which parental apathy and disinterest is glaringly apparent. That concerns the problem of defiant and thoughtless operation of motor vehicles by the younger drivers. Many of these cars are made available to the youngsters by parents without restraint or sense of obligation.

This parental disinterest in the traffic phase of juvenile conduct occasionally has tragic consequences, to the family involved and also to parties who had no degree of negligence in the unhappy accidents.

Mr. Hoover would apply penalties to parents in cases of juvenile crime where neglect of duty by the family was obvious. We doubt a general law could be set up to spread that accountability to all phases of the juvenile problem satisfactorily.

Just the same, it would be a wonderful thing if we could find an inspired method for reawakening parental conscience to the driving situation, as well as to other serious aspects of juvenile difficulty in which crime is not involved.

[From the Janesville (Wis.) Daily Gazette]

TEEN-AGE BOYS ON THE LOOSE

Unrestricted freedom for today's youth, so much the pattern these days, occasionally results in actions so bizarre as to jolt even the jaded attitudes of the overtolerant. Such are the cases of two Rockford 16-year-olds who took part in wrecking rural schools in southern Rock County a few days ago.

After their arrest, they admitted not only widespread vandalism, but thefts, burglaries, and check forgeries. Moreover, their activities extended throughout Rockford and the northern Illinois area and over into Wisconsin.

The two boys had as their companion a 22-year-old who did the check forgeries for them, and who carried a gun. The three of them ranged over a wide area looking for anything they could steal and convert into cash and took obvious enjoyment in wrecking anything they could not use, with a special dislike for schools. The two rural schools in Newark Township which fell victim to their ill-will were so badly wrecked that no classes could be held until they were repaired and cleaned at heavy cost. Furtivings were literally smashed to pieces.

Though neither of the boys—only 16, remember—had a job, one of them owned a convertible automobile which was used in their expeditions of pillage. Among their thefts, they admitted stealing 300 gallons of gasoline. Their attacks on the Newark schoolhouses took place at 2 o'clock on a Sunday morning.

One of the boys "lived" with his parents, and the other with his divorced mother. It is quite clear, however, that no real effort was made to keep any check on the boys. Any parent, it would seem, might wonder where the gasoline was coming from to keep a car on the road when the boys had no legitimate means of getting hold of any money. Neither does it seem that parents would find any reasonable explanation of nightly excursions which would keep 16-year-olds out until the early morning hours.

Unfortunately, the Rockford boys are not unique. We have many others nearer home. Three 17-year-olds, after a tavern visit attempted to escape deputies Sunday night after erratic driving attracted the attention of a patrol squad. Even the Janesville business district has its share of boys on the prowl, looking for trouble. Many of them are equipped with cars which will aid them in any harebrained scheme which they may conceive. Hitchhikers, so young that they ought to be in their beds, can be found on the highways at all hours of the night. Many of them are a long way from their hometowns with no way of getting back except by hitchhiking with anyone foolish enough to pick them up.

It is not necessary for parents to be sports to put an end to this kind of idle driving about the country. Boys of school age need to have some freedom to attend sports events and other activities. They need companionship of those of their own age. But this sort of freedom need not be an every-night affair, and parents ought to know where the trail leads.

It is important also that there be some paternal check on finances and where the money is going to come from to cover the inevitable expenses. Boys who have jobs not only have money for enjoyment, but are more discriminating about spending it. They are aware that it does not grow on bushes—and they have less time to engage in activities which could lead to trouble. Parents surely should be familiar enough with personal traits to know whether a job would be a stabilizing influence.

There are enough cases on record to make it certain that some parents are not meeting their responsibilities along these lines. Police and deputies on night duty have the

right and duty to obtain identities of younger boys they find on the streets and highways at unseasonable hours. If parents were notified and required to take them into custody when no plausible explanations could be made, it might go a long way toward emphasizing paternal responsibility.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed a bill (H. R. 9166) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 9166) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, was read twice by its title, and referred to the Committee on Finance.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

PROPOSED STUDY OF FEDERAL MEAT GRADING SYSTEM

Mr. BENNETT. Mr. President, on March 7, I put in the RECORD a statement containing my reasons for an amendment I submitted, whose purpose would be to require the Secretary to make a study of the Federal meat-grading system as applied to beef, veal, lamb, and mutton. This has been unfortunately interpreted by some to mean that I am opposed to any voluntary Federal meat-grading system and wish to see it destroyed.

Nothing could be farther from the truth. I believe Federal meat grading has rendered a service to our country. My only objective in recommending such a study is to make it possible for the Department to determine whether or not it would be possible to improve the present system of meat grading for the benefit of the consumer and the producer.

I believe that improvements can be made in the system which will meet some of the legitimate objections which have already been raised, and hope that this work can be quickly and thoroughly done.

It is for this purpose that I propose to call up the amendment which I have introduced.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOLAND in the chair). Without objection, it is so ordered.

Mr. GEORGE. Mr. President, I call up my amendment, which is designated 2-17-56-B.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. On page 3, beginning with line 23, it is proposed to strike out through line 4 on page 4.

On page 4, line 6, to strike out "105" and insert "104"; in line 15, strike out "106" and insert "105"; and in line 24, to strike out "107" and insert "106."

The PRESIDING OFFICER. The Chair would remind Senators that the unanimous-consent agreement limiting the time for debate has been amended so as to provide 1 hour of debate on each amendment, with the time being equally divided. Therefore, 30 minutes is available to each side.

Mr. GEORGE. Mr. President, I yield to the Senator from Oklahoma [Mr. KERR], who joins me in sponsoring the amendment, as much time as he may require.

The PRESIDING OFFICER. Did the Senator from Oklahoma hear the Chair's announcement with respect to the amendment of the unanimous-consent agreement?

Mr. KERR. I did.

Mr. President, the purpose of the amendment is to continue the definition or specification of standard grade of cotton, as is now provided by law.

Senate bill 3183 as reported by the committee contained many commendable and valuable provisions. By action of the Senate the provision which, in the judgment of the Senator from Oklahoma, was the most valuable element in the bill, was stricken from it. That was the portion of the bill which would have provided 90 percent of parity for cotton, peanuts, rice, and wheat. When that provision was stricken from the bill, it lost most of what would have resulted in increased income to the average farmer in 1956.

The change sought by the distinguished senior Senator from Georgia and the Senator from Oklahoma—and also, I might say, by the Senator from South Carolina [Mr. JOHNSTON] with reference to a similar amendment, and by the Senator from Texas [Mr. DANIEL]—is to strike from the bill a provision which, if enacted into law, will reduce the income of every cotton farmer in the Nation.

If section 104 (A) beginning on page 3, line 23, and going through line 4 on page 4 remains in the bill, it will penalize every cotton producer in the Nation an average of from \$10 to \$12 a bale on his production for 1956.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. EASTLAND. Mr. President, how did the Senator arrive at those figures?

Mr. KERR. I arrive at those figures on the basis of the estimate given me by the clerk of the Committee on Agriculture and Forestry as to the various methods of the application of the law under the language of the bill.

Mr. EASTLAND. Let me tell the distinguished Senator from Oklahoma that the Department of Agriculture and the

farm organizations have figures which show that the amendment will reduce the price of cotton by $1\frac{3}{10}$ cents a pound, which would be about \$7.50 or \$8 a bale.

Mr. KERR. I say to the distinguished Senator from Mississippi that that is correct if one average is used. However, the Secretary of Agriculture, under the provisions of this bill is not limited to any single or individual or specific average formula, but has available to him quite a number of them.

Mr. EASTLAND. But the way they figure—

Mr. KERR. The way who figures?

Mr. EASTLAND. The way the Department figures it; and the testimony shows that will be the result.

Mr. KERR. Is that provided for in the bill?

Mr. EASTLAND. On the average grade and staple the price would be reduced 1.3 cents a pound.

Mr. KERR. To what average length of staple does the Senator refer?

Mr. EASTLAND. The average of the crop.

Mr. ELLENDER. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. ELLENDER. I should like to point out that, as the Senator from Oklahoma has just stated, if the Secretary uses the schedule of premiums and discounts in the 14 designated spot markets for the first 4 months of this marketing year, it would lower the support level of each grade 215 points. Using the average of the first 6 months of the current marketing year in the 14 markets would lower the level of each grade 194 points, and using the average for the month of January 1956 would lower it 144 points.

Mr. KERR. Two hundred and fifteen points would be 2.15 cents a pound, and that alternative would be available to the Secretary, under the provisions of the bill.

Mr. ELLENDER. By using the average of the first 6 months in the 14 markets he would lower the price support level for each grade 194 points.

Mr. KERR. That is practically 2 cents a pound.

Mr. ELLENDER. If he chose to use the average for the month of January 1956, he would lower it 144 points. I am informed by the Department that the Secretary has a right to take the average premiums and discounts of the first 6 months of the current marketing year, or the average of the first 4 months, or the average for the month of January 1956, or he could use the 1955 loan schedule. Thus he could vary the amount by which the price support level for each grade will be reduced, if the seven-eighths-inch standard is changed to average of the crop, by anywhere from 136 points to 215 points.

Mr. EASTLAND. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. EASTLAND. Mr. President, I ask unanimous consent to place in the RECORD, at the close of the remarks of the Senator from Oklahoma, a table prepared by the National Cotton Council.

Mr. KERR. Mr. President, I have no objection to the Senator placing the

table in the RECORD at any point other than during the course of my remarks.

Mr. EASTLAND. I said, at the close of the Senator's remarks.

Mr. KERR. The table is prepared by the National Cotton Council, but I invite attention to the fact that the Senate is not considering including the provisions of the estimate prepared by the National Cotton Council. The Senate has before it a provision in a bill which, if passed by the Congress, will become the law of the land, and under it the Secretary of Agriculture, in whom I have no more confidence than I have in the resurrection of Jesse James, would have the authority to use any one of the averages just read into the RECORD by the distinguished Senator from Louisiana [Mr. ELLENDER]. On the basis of the record made by the Secretary of Agriculture, my expectation would be that he would use the least favorable average available to him under the law. As read by the distinguished Senator from Louisiana, the reduction would be 2.15 cents a pound, which, on a bale of cotton weighing 500 pounds, would be \$10.75.

Mr. President, we could have estimates from every cotton council on this earth as to what could be the result if a certain formula were applied, but under the law the Senator from Mississippi cannot tell the American cotton farmer that that will be the average applied.

Mr. EASTLAND. Oh, yes.

Mr. KERR. I beg to differ, but if the Senator, on his own time later on, would care to do so, I should like to have him show the Senator in this bill wherein that would be mandatory.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi that the compilation to which he has referred be printed in the RECORD following the remarks of the Senator from Oklahoma?

Mr. KERR. None whatever, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KERR. Mr. President, I again remind the Senate that it is an estimate made by the National Cotton Council of what would be the law if a certain average were applied as indicated by the National Cotton Council. I also remind the Senate that what we are considering is a positive provision in the bill under which, as stated by the chairman of the Committee on Agriculture and Forestry, the Secretary of Agriculture could apply any number of averages, under one of which every bale of cotton would be lowered in price at the rate of 2.15 cents a pound. On a 500-pound bale of cotton that would amount to \$10.75.

Mr. President, I think it is an untested fact that the average cotton farmer is either at the bottom of the economic totem pole among all farmers, or is very near the bottom.

Mr. President, of all those whose economic welfare will be determined by the provisions of this bill, there is no group which has a lower average income than has the average cotton farmer. I ask Senators why, in the name of heaven, would we pass a bill purporting to be for

the benefit of the American farmer which, under one of its positive provisions, would in the matter of average annual income penalize one of the lowest groups of all the agricultural groups to the extent of \$10.75 a bale for every bale of cotton which may be produced this year?

The farmers in that group already have suffered the most drastic reduction of acreage of any group. They have been given this year the allocation of their acreage, and I say to the Senate that it is drastically low.

Now they are confronted with a bill one provision of which would penalize them a definite amount on every bale of cotton, which, under one of the averages available to the Secretary of Agriculture, as stated by the chairman of the committee, could be as much as \$10.75 a bale.

I ask my good friend from Mississippi, admitting for the sake of argument that it might be less than that, why in the guise of helping them should we penalize them to any extent? Wherein is the justification, in a bill calculated to improve the economic welfare of the average farmer, for a provision which would penalize them even \$1, let alone \$10.75 a bale?

Mr. President, the least the Senate can do in recognition of its responsibility to the American cotton farmers is to treat them in such a way that the Senate will not leave them in a lower economic position than it found them when the bill was brought to the floor. For that reason, this provision should be eliminated, and this amendment should be adopted, so that the support program can be carried forward on the basis of the present law which would save the cotton farmer, at least, from being penalized by the provisions of this bill.

I thank the Senator from Georgia for yielding me time to discuss the amendment.

EXHIBIT 1

If $\frac{3}{8}$'s stays in the law (sec. 104 stricken out), a 3-cent-per-pound reduction in the cotton price support in 1956 as compared with 1955 will give a percent of parity for 1956 as follows:

(a) Based on Middling $\frac{3}{8}$ -inch staple:	
	Cents
1955 support level ($\frac{3}{8}$ -inch Middling) ..	31.70
Less 3 cents	28.70
	Percent
Percent of March modernized parity (34.72)	82½
Percent of parity below 1955	7½
(b) Based on average of crop (93.8 percent of parity)	
	Cents
1955 support level for $\frac{3}{8}$'s	31.70
Plus premium for average grade and staple	1.36
1955 support level for average grade and staple (93.8 percent of parity) ..	33.06
Less 3 cents	30.06
	Percent
Percent of March modernized parity (34.72)	86.5
1955 support	93.8
1956 support	86.5
Percent of parity below 1955	7.3

But a 3-cent reduction in the average of the crop will result in the following support for $\frac{7}{8}$'s:

	Cents
1956 support level for average of crop figured at 3 cents below 1955.....	30.06
Less 1956 discount for $\frac{7}{8}$'s (below average grade and staple based on differences in market for first 6 months)	1.94
1956 support level for $\frac{7}{8}$'s.....	28.12
	Percent
Percent of March modernized parity (34.72)	81
Percent of parity below 1955.....	9

Mr. JOHNSTON of South Carolina. Mr. President—

Mr. GEORGE. Mr. President, will the Chair please advise me how much time I have remaining on the amendment?

The PRESIDING OFFICER. The Senator from Georgia has 15 minutes of his time remaining. Does the Senator from Georgia yield time to the Senator from South Carolina?

Mr. GEORGE. I yield 5 minutes.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 minutes.

Mr. JOHNSTON of South Carolina. The amendment now before the Senate is similar to an amendment I have proposed. If this amendment shall be agreed to, cotton will be graded exactly as it has been graded in the past. If this amendment is adopted, no change will be made. The basis for parity will be the same that is being guaranteed the five other basic commodities.

We have already struck out 90 percent of parity, and given the Secretary of Agriculture the right to grade downward as much as he wishes. In other words, if this gadget shall be placed in the bill, what will happen will be that instead of having about 90 percent of parity, as was the case formerly, there will be a sliding scale from about 83 percent down to 68 percent instead of from 90 percent down to 75 percent. That is what it would amount to if everything were scaled down. It would be a double penalty against us cotton farmers. In other words, it would amount to a 2.15 cents reduction on every pound of cotton. Everyone of the grades based on the length of staple will be changed if the provision remains as it is in the bill at present. I am against that for many reasons. It would lower the price of cotton, so far as placing supports under cotton is concerned; and I think that would be wrong and disastrous.

We are already leaving it to the Secretary of Agriculture to slide the scale down. I do not believe the Senate at this time wants to provide another gadget which will make certain that the scale will have to be slid down to a certain percentage in addition to this other penalty.

Therefore, I am trying to show that if this amendment shall not be adopted, there will be a second reduction in the cotton-support price. The adoption of the amendment would help the cotton farmer.

Let us consider what has been happening. Heretofore we have had seven-eighths staple cotton as the average.

That is where the start is made in establishing grades for the parity price to be placed upon cotton. What will the amendment do? It will slip out, so to speak, the seven-eighths staple cotton and turn it over to the Secretary of Agriculture. He could raise the length to fifteen-sixteenths, or he could go to 1 inch. If he went to an inch, it would change the price of cotton 4.30 cents. That could be done under the pending bill as it is now written.

Let no one think that parity has nothing to do with the market price of cotton, wheat, corn, or whatever else may be dealt with. The commodity has a tendency to fall to the parity price, whatever amount may be placed under it as a support. If that were not so, why should we be talking about reducing the amount in order to be able to compete with the world market? That argument would not be good if the price did not fall to the amount fixed as the parity price for the commodity.

We hear it said that we should meet the world market price by reducing the parities. If reducing the parities does not change the prices, how can a reduction enable farmers to meet the world market?

I maintain that, despite argument to the contrary, those who will listen for 1 minute will be convinced that the amount of parity placed under a commodity will have a tendency to set the price of that commodity, not only in the United States, but on the world market, also.

It is for these reasons, Mr. President, that I am arguing that this gadget should be removed from the bill, in order that the parity basis will be advanced to its rightful former historic position.

I am certain the Senator from Vermont [Mr. AIKEN] will acknowledge that if the gadget shall remain in the bill, it will reduce the amount of parity which will be offered. Anyone else would have to agree. That being so, I am asking for one-half fair treatment. I say "one-half" because the Senate has already rejected 90-percent supports over my protest.

I ask that the Senate attach my amendment to the bill in order that a double jeopardy will not be imposed on the cotton farmers of the Nation.

Sliding parity is bad enough, but to change the staple length upon which sliding parity is based will ruin every cotton farmer in the country.

If we pass this bill without my amendment, we will be selling the cotton farmer short.

Gentlemen, do not let us sell the cotton farmer short. No one in this Senate has plugged for and worked harder for 90 percent of parity than I. I believe it is the basis upon which any successful farm program must be built. But this bill not only guts 90 percent of parity for all the basic commodities but applies additional penalties against cotton.

I ask that the Senate be fair with the cotton farmers of this Nation and vote for my amendment. We would be doing the cotton farmers of this Nation a grave injustice if we do not pass this amendment.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

The Chair announces that the time in opposition to the amendment will be controlled by the minority leader, in view of the statement by the chairman of the committee that he is supporting the amendment.

Mr. KNOWLAND. Mr. President, I understood the Senator from New Mexico desired some time.

The PRESIDING OFFICER. How much time does the Senator from New Mexico request?

Mr. ANDERSON. Five minutes, Mr. President.

Mr. KNOWLAND. I yield 5 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I was surprised to hear the statement made that the Secretary of Agriculture could use a whole series of average grades for cotton. I am frank to confess that I do not know under what theory that was announced. The Secretary of Agriculture takes an oath to observe the law. I believe he would do so. If so, he would have no trouble determining what the average grades of cotton were during a particular year.

It so happens that this proposal would amend the provisions of the Agricultural Adjustment Act of 1949.

It seems to me that if the cotton farmers in this country see themselves gradually losing their market, and feel that instead of continuing to lose their market, their cotton should be more realistically priced, they should have the opportunity to have it so priced.

I am not quarreling about what the price of cotton shall be. All I point out is that gradually, year by year, the domestic market has shrunk, and the foreign market has shrunk. We will not get it back by raising the price of cotton.

There is no question that in the preparation of this particular provision of the bill it was recognized that by it cotton prices would be reduced. It was stated frankly in the committee, and it was understood by every Senator who voted upon it, that the provision would effect a reduction in cotton prices. The present grade of seven-eighths of an inch is not what the average grades are throughout the Nation. Actually, cotton, when it was supported at 90 percent, with this provision in the law with respect to seven-eighth inch grades, was getting 94 or 95 percent price supports. That was understood, and I think it was understood thoroughly. The result of that operation was to put cotton too high.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. By changing the gadget, if the Secretary of Agriculture had made it one-eighth inch, what would he have given? If he had changed it to 1 inch, what would the farmer have received? By that calculation he would have obtained 100 percent, would he not?

Mr. ANDERSON. No. I am sorry; the Senator did not follow what I said. I said the average grades were above seven-eighths of an inch. At the time the bill was passed the grades were about

fifteen-sixteenths. I believe now they are—

Mr. JOHNSTON of South Carolina. They are about 1 inch.

Mr. ANDERSON. I started to say they were about fifteen-sixteenths of an inch at the time the bill was passed. At present, they are about thirty-one thirty-seconds, or close to 1 inch.

Mr. JOHNSTON of South Carolina. If that were changed to 1 inch, the parity would be changed to 100 percent, would it not?

Mr. ANDERSON. No, of course not. I hope the Senator recognizes the fact that if there is a 90-percent price support on cotton with 1 inch as the basis, there will be 90 percent supports. But if there is a 90-percent price support, and seven-eighths of an inch is used as a base, the support price will be 93, 94, or 95 percent; somewhere within that range. Everyone who has been dealing with the problem will understand that this particular language was included for that purpose. Certainly I know it best of all, because the provision is in a law that happens to bear my name as its sponsor.

In order to bring about a reduction in cotton acreage and to bring cotton under control, we arbitrarily included a provision which set the base at seven-eighths of an inch, recognizing that if the price levels were at 90 percent, the cotton producer would receive more than 90 percent. Everyone understood that thoroughly; there was no mystery about it.

I say now that if there is objection to changing the figure to a realistic factor, we shall only be trying to say that if the support level shall be brought down to 85 percent, the cotton farmer will still be getting 90 percent.

We might as well understand that if it is preferred that it be kept on the old basis, the Secretary can handle it administratively. However, he would have no difficulty about this provision. The Secretary of Agriculture has the right, if he wishes, to bring the support level on cotton down to 75 percent of parity. If Senators want it brought down to 75 percent of parity, it would not be difficult. The supply situation in regard to cotton is such that the Secretary can bring the price down to 75 percent of parity.

It was believed it would be a simpler process to move the grade up to the basis of the average grade. Thereafter, as the years went by, and the grade got to be an inch, and then an inch and one thirty-second, and so forth, it would be reflected, ordinarily, in prices paid across the country, and we would not have an arbitrary standard.

What is done is immaterial to me. If the Senate wants to change it back, and then ask the Secretary of Agriculture to drop the figure 5 percentage points, the action will not help a single cotton producer. The Secretary will have to put the level at such a point that he can move some of the cotton. With a 14 million bale surplus, with also a 14 million bale crop, and a supply of 25 million bales of cotton on hand, no Secretary would be expected not to recognize what the situation was.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ANDERSON. May I have 1 or 2 minutes more?

Mr. AIKEN. I yield 5 additional minutes to the Senator from New Mexico.

Mr. ANDERSON. I hope that when we vote on the pending proposal, we will not vote for it on the theory that we would be helping the cotton farmers of the country. I think cotton farmers, generally, have asked for elimination of the seven-eighths standard, and have asked that the average grade standard be adopted. Cotton organization after cotton organization has asked that that be done.

Perhaps there should not be evidence given of what the true support level is, but I do not believe we help matters by kidding farmers on the situation at all.

I further hope the language put in the bill, and put in the bill by majority vote, will be retained. It is true it will reduce cotton prices. The Senator from South Carolina heard me say it inside the committee. I repeat it now. Again, we must deal with the situation frankly, but I do not believe it is fair to say we can have a whole rainbow of prices, out of which the Secretary must make a selection. We must work on the theory that the Secretary understands what a provision calling for average price is. Having taken the oath of office to administer the law, we must assume he will administer the law. He knows what the average price is.

Therefore, if we want to take out that language, I hope we proceed to take it out by vote, knowing it cannot help the cotton farmer, that it runs contrary to the principle which cotton farmers have been asking to have adopted, and that by changing it there might be obtained a different level of parity than that announced to the American public.

We must recognize that the seven-eighths level is not realistic when the average is well above that, and we will be better off to take the language in the bill rather than to start to tamper with it by striking it out.

The PRESIDING OFFICER. Is there further time to be used on the amendment?

Mr. AIKEN. Mr. President, do the proponents desire to use any more time?

Mr. GEORGE. No; not now. The proponents started the argument in favor of the amendment, and then the Senator from New Mexico spoke. I thought the opponents would want to use some time now.

The PRESIDING OFFICER. Do both sides yield back the unused time?

Mr. GEORGE. No; we do not yield back anything. The Senator from Texas desires to be recognized at this time. I shall be glad to yield to him.

The PRESIDING OFFICER. The Chair does not see the Senator from Texas. The Chair suggests that if any other Senator desires to be heard on this matter, he be heard at this time.

Mr. KERR. Mr. President, I believe the proponents have used 20 minutes and the opponents have used only 7 or 8 minutes.

Mr. AIKEN. Very well, Mr. President. I yield myself 2 minutes.

The PRESIDING OFFICER. Two minutes have been yielded to the Senator from Vermont.

Mr. AIKEN. The base used for fixing price supports for all basic commodities except cotton is the average grade. The committee voted to establish the average grade as the basis for fixing support prices for cotton. The pending amendment, proposed by the Senator from Georgia and the Senator from Oklahoma, would strike out that part of the bill which establishes the average grade as the base for cotton supports.

Mr. President, I see no reason why cotton should be especially favored in this respect over all the other basic commodities.

Furthermore, if we are to proceed with a good program to build up the use of cotton in this country, and to reestablish our cotton export business, bringing it up to 10 million bales, where it used to be, instead of 2 million bales, a figure which certainly will continue if we do not make any changes—then we should have a realistic base on which to fix price supports for cotton.

I think it would be very disastrous to the cotton growers, the cotton industry, and to the general economy of the country to adopt the amendment proposed by the Senators from Oklahoma and Georgia.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. KERR. I do not want to underestimate the ability of the Senator from Vermont, but I should like to ask him how much cotton is produced in his State.

Mr. AIKEN. Vermont produces no cotton.

Mr. KERR. I thank the Senator.

Mr. AIKEN. And I am happy to say that Vermont is in a section of the country which is not constantly trying to see how much it can get from the Federal Government.

Mr. KERR. I thank the Senator for that observation. So far as I am concerned, I am willing for him to have a child's part and at the same time pay for a parent's part.

Mr. AIKEN. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Vermont desire any more time?

Mr. AIKEN. No.

Mr. DANIEL. Mr. President, I ask for 1 minute.

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Texas, and if so, for how long?

Mr. GEORGE. I yield to the Senator from Texas 1 or 2 minutes.

The PRESIDING OFFICER. The Senator from Georgia yields 2 minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I wish to join in what has been said in favor of the adoption of the amendment. The Senate has already defeated the committee's proposal for 90 percent of parity, and now, if we do not adopt the pending amendment, we shall be cutting the price the cotton farmers will receive for the cotton they produce. That means not only those who produce seven-

eighths staple, but all the cotton farmers of the country.

I should like to ask the chairman of the committee if that statement is not correct. If the amendment is not adopted, will the effect not be to cut the price received by cotton farmers all over the country?

Mr. ELLENDER. It will adversely affect every grade; that is, the support level for every grade of cotton will be reduced.

Mr. DANIEL. It will affect every grade of cotton?

Mr. ELLENDER. That is correct.

Mr. DANIEL. In the present conditions, so far as farmers are concerned, it does not seem to me, that we should start decreasing the amount of money the cotton farmers will receive.

I sincerely hope the Senate will adopt the amendment offered by the distinguished Senator from Georgia and other Senators.

The PRESIDING OFFICER. Is there further time to be used on the amendment?

Mr. AIKEN. Mr. President, do the proponents yield back their time?

The PRESIDING OFFICER. Does the Senator from Georgia yield back his time?

Mr. GEORGE. Mr. President, I yield 2 minutes to the chairman of the committee.

The PRESIDING OFFICER. The Senator from Georgia yields 2 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, the committee considered the amendment very seriously at the time the committee voted for 90 percent of parity price supports for cotton and other basics. I took the position then that I would support a proposal to strike from the present law the seven-eighths provision, and substitute therefor the average of the crop, provided the 90 percent of parity price support provision for cotton were retained. In addition to the reduction in the price of cotton which will result from the Senate having struck from the bill the 90 percent price support provision, our failure now to adopt the amendment proposed by the Senator from Georgia, may mean a further decrease in the price received by the farmer for every grade of cotton, a reduction which may run as high as 215 points.

As the Senator from Mississippi stated a while ago, if the 1955 loan schedule is used, the support price for every grade of cotton will be 136 points lower than under the present system. But if the average premiums and discounts in the 14 designated spot markets for the first 4 months of this marketing year are considered, then the possible reduction for each grade will be 215 points; and if the average of the first 6 months in the 14 markets is used, that will lower it 194 points; and if the average for the month of January 1956 is used, that will mean a loss for each grade of 144 points.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. GEORGE. Mr. President, does the Senator from Louisiana desire to have further time? If so, I yield further time to him.

Mr. ELLENDER. I simply wish to emphasize the fact, Mr. President, that unless this amendment is adopted, there will be further losses to the cotton producers. Now that the Senate has struck the mandatory 90 percent parity price-support provision from the bill, the Secretary can lower the support level for cotton to 75 percent of parity, which will mean a loss of from 5 to 6 cents a pound. In addition to this, our failure to adopt the pending amendment will cause a further loss of from 1.36 cents up to 2.15 cents, depending on the period the Secretary selects for his determination of premiums and discounts on the markets. As I pointed out, if he selects the period which was used last year, that will mean a loss of 1.36 cents. If he takes the first 4 months of the current marketing year that will mean a loss of 2.15 cents. As I understand the law provision in the bill, the Secretary has full discretion in selecting whatever period he desires.

Mr. RUSSELL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. RUSSELL. I should like to ask the distinguished Senator from Louisiana whether he shares my belief that if this amendment is not adopted, we shall have permanently reduced the price of cotton to the cotton producers of the Nation whatever farm program we may adopt hereafter by the amount involved, which would average around 2 cents a pound. Does not the Senator from Louisiana believe that if we change the system and base for the entire market and the entire cotton industry, including the milling and the purchase of cotton, it will be virtually impossible to get the market back, regardless of whatever farm program we may adopt in the future, and to undertake to repair the fortunes of the cotton farmers?

Mr. ELLENDER. The Senator from Georgia is correct. The position stated a while ago by the Senator from Mississippi, as I recall, was that unless some effort is made to reduce the price of cotton, we shall continue to lose our markets abroad; and therefore it is necessary to use some device to decrease the price. Elimination of the $\frac{7}{8}$ -inch provision is one of the devices that is being used for that purpose.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an explanation of the effect of changing from middling $\frac{7}{8}$ -inch cotton to the average grade and staple for purposes of price support.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF MIDDLING $\frac{7}{8}$ PROVISION

Under section 403 of the Agricultural Act of 1949, as amended, appropriate adjustments may be made in the support price for differences in grade, type, staple, quality, location, and other factors. These adjustments must be made in such manner that the average support price for the commodity will on basis of anticipated incidence of pertinent factors be equal to level of support determined as provided in the act. Upland cotton is now excluded from the provisions of the last sentence above, and in lieu thereof, the required level of support is applied directly to middling $\frac{7}{8}$ -inch cotton.

Section 104 of Senate bill 3183 would eliminate Middling $\frac{7}{8}$ -inch as a base quality of upland cotton for purposes of price support, and the level of support would be determined on the same basis as for other commodities; i. e., the average support price established at a level equal to the support level determined as provided in the act. Since the act does not specify exactly how this would be accomplished under this provision, exact procedures of how the program would be developed or exact computations in connection with future programs cannot be set forth at this time. However, certain facts pertaining to the provision can be stated as follows:

1. Extra long staple cotton is currently covered by the same provisions as would cover upland cotton if section 104 is enacted. Under the extra long staple program in recent years:

(a) the incidence of anticipated quantity in each quality (grade and staple combination) was determined on the basis of the average percentage of the cotton produced during each of the last 5 years that fell within each such quality;

(b) a schedule of support rates for the various qualities which reflected the desired differentials between such qualities was developed on the basis of the market values (with certain adjustments as indicated below) for such qualities for the various kinds of extra long staple cotton during that part of the marketing year that had elapsed; and

(c) the weighted average determined by multiplying the anticipated quantities as determined in (a) by the support rates as determined in (b) must equal the level of support determined as provided in the act. Sealand cotton of a specific grade and staple length does not command as high a price in the marketplace as the same grade and staple length of American-Egyptian cotton. An average difference of about 5 cents per pound in favor of American-Egyptian cotton is in effect under the 1955 loan program. Also, in certain cases where the quoted market prices failed to reflect normal relationships between adjacent qualities, support rates for such qualities were adjusted to a more normal relationship. After all necessary adjustments for qualities or kinds of cotton have been made, the weighted average of all support rates must equal the support level determined as provided in the act.

2. The enactment of section 104 would have the following effect with respect to upland cotton:

(a) It would lower the support level somewhat. If the 5-year average incidence of quantities by qualities are used (the same as has been used for extra long staple cotton under past programs), then the schedule of premiums and discounts used would determine the amount by which the average support is lowered. If the 1955 loan schedule were used, it would lower the level by 136 points. The average premiums and discounts in the 14 designated spot markets for the first 4 months of this marketing year would lower it 215 points. The average of the first 6 months in the 14 markets would lower it 194 points, and the average for the month of January 1956 would lower it 144 points.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to ask a question of the Senator from Louisiana: Is it not also true that eventually the farmers will have a right to vote on the question of whether they will go into this program?

Mr. ELLENDER. Yes.

Mr. JOHNSTON of South Carolina. And if we make it impossible for them to come out from under—which is the

danger we face—then the cotton farmers will be in a terrible fix.

Mr. GEORGE. Mr. President, I am prepared to yield back the remainder of my time; and I desire to suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair understands that the Senator from Georgia has 4 minutes remaining.

Mr. GEORGE. Mr. President, I ask unanimous consent that at this time there may be a quorum call, without charging to either side the time required for it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

The Senator from Georgia has suggested the absence of a quorum, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE] for himself and the Senator from Oklahoma [Mr. KERR].

Mr. GEORGE. Mr. President, I yield myself 1 minute, and will be willing to yield back the remaining time, if that is agreeable to the opponents of the amendment.

Mr. AIKEN. Mr. President, we will not yield back all our time, because we still have two speakers. We have used only 10 minutes.

Mr. GEORGE. Very well.

Mr. President, the provision of the bill which is sought to be stricken is a plain, direct effort to injure cotton, already the most poorly supported of all the basic crops. Whether the amount taken from each cotton producer is \$8, \$10, or \$10.50 a bale, there is a direct effort to injure the small cotton producer, and for no purpose on earth except to favor the big producers of cotton in a certain area in the United States. The small producer does not export any cotton. This provision of the bill is an effort to make the small producers of cotton bear the entire burden, the total cost of exporting a crop.

I appeal to Senators for justice. I stood on this floor when cotton prices were first supported, and warned, in a 2-hour speech, that the final result would be the loss of the foreign market.

All that is sought to be accomplished is simply to continue the present standard for Middling seven-eighths cotton. If the cotton is less than seven-eighths Middling, of course, there is a penalty. If it is a little more than seven-eighths, there is a slight premium.

The PRESIDING OFFICER. The Senator has used his 1 minute.

Mr. GEORGE. Mr. President, I yield myself additional time.

The difference is sufficient to enable the small cotton farmer to make a modest profit on his cotton. Everything else we hear said by anyone is in behalf of the big cotton producer, or in behalf of plac-

ing the burden upon the small cotton farmer, to carry the cost of the cotton export program.

No increase has been given cotton. The 90 percent of parity provision is thrown out. If the 90 percent were in the bill, there would be some reason for changing the basis for classifying cotton. But that provision has been stricken from the bill.

This provision of the bill is definitely in behalf only of the large cotton producers and the rayon manufacturing group. It cannot help anyone else. I am not attacking the Secretary of Agriculture, but he has already shown that he is most eager to reduce the price of cotton in this country. I think no man can doubt that.

There is nothing else in the bill which would help the most distressed element in our agriculture. We are asking only that the present standard for the classification of cotton be continued.

That would help the small farmer, but not a great deal. However, it may represent the difference between his ability, on the one hand, to continue the production of cotton, and, on the other hand, bankruptcy and abandonment of cotton by the small cotton producer.

Mr. AIKEN. Mr. President, I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, the Senate is now reaching the end of an effort which began more than a year ago in a careful study made by a subcommittee of the Senate Committee on Agriculture and Forestry, to ascertain why American agriculture was losing its export markets. That subcommittee was headed by the distinguished senior Senator from Mississippi [Mr. EASTLAND]. I have watched him in action for more than a year. I was a member of the subcommittee, and also a member of the full committee. I think the Senator from Mississippi has a fuller grasp of the situation, and of the reason why American cotton has lost its export market, than has any other Senator. I exclude for that purpose the distinguished Senator from New Mexico [Mr. ANDERSON], who has almost as complete a grasp of the cotton situation in all its aspects as one man could have.

There has been traditional rivalry in the Senate committee, in the markets, and in the entire field of cotton, between the new West and the old South, in the production of cotton. In the development of the new program in the bill, I have seen complete cooperation between Representatives of the new West and the Senator from Mississippi and other Senators from cotton-producing States of the old South.

There is no doubt that cotton has lost its foreign market simply because the price-support program has been too high. Testimony of witnesses from the Cotton Council, the cotton cooperatives, the textile industry, and others, clearly showed that to be the case. Everyone realized that cotton had lost its foreign market simply because the price-support program had been too high. One of the unrealistic, unofficial features which has made it too high is the very thing which is involved in this particular pro-

vision of the bill, which is sought to be eliminated by the pending amendment.

Senators argue that the adoption of this amendment would bring temporary relief to some. Perhaps that is true; but it would bring temporary relief at terrific cost, namely, the continuance of artificial price supports at levels which would continue to ban our cotton from the export market.

This program has been carefully considered in its various aspects. This is only one of them. The standard by which cotton price support would be fixed is based not on the average of cotton production, but upon one of the lowest facets of cotton production, seven-eighths-inch staple, which is grown only in a relatively small area of our country.

Some of us have been accused of wanting to legislate against the area which produces the very short-staple cotton, notably central Texas. Nothing is further from the fact. This reduction would apply all the way through the scale.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. HOLLAND. In a moment.

This provision would apply to cotton exactly the same average standard which is now applicable to wheat, rice, corn, tobacco, and oats. It is taken for granted as the fair way to begin to figure what the price supports should be.

I now yield to the Senator from Georgia.

Mr. GEORGE. I remind the Senator that $\frac{7}{8}$ -Middling cotton is nowhere near the lowest grade of cotton. It runs all the way down to lint.

I also remind the Senator that it is not Texas alone that makes $\frac{7}{8}$ -cotton in certain counties. It is every part of the Cotton Belt, during some years—and they come often—when the staple does not fully lengthen.

Mr. HOLLAND. Of course, the distinguished Senator from Georgia is correct in that statement. It is true that appearing before our subcommittee and later before the full committee came representatives and spokesmen from the area in central Texas which I mentioned, claiming that this measure would be peculiarly hurtful to them. I believe the distinguished Senator from Georgia knows full well that it would not be peculiarly hurtful to anyone, but would apply to cotton production exactly the same standard, that is the average grade of cotton.

Mr. GEORGE. The Senator from Georgia does not know anything of the sort. If he did know it, he would not oppose the provision in the bill. The Senator from Georgia, on the other hand, knows that the provision will cost every cotton producer, whatever his product, anywhere from \$7 to \$8 a bale, or even \$10 or \$12 a bale.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, may I have a few more minutes?

Mr. KNOWLAND. Mr. President, I yield 2 additional minutes to the Senator from Florida.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HOLLAND. I cannot yield at this time. If I have some time remaining later, I shall be glad to yield. The Senator from Georgia is exactly right. This is a realistic statement of a standard similar to that which is applied to every other basic commodity. It is absolutely wrong to continue the application of a standard which is unfair to the other commodities and which puts cotton in such a class that what appears to be a 90 percent support price, as we had in the past, is in fact sizably larger than that, and will always keep the price support unrealistic as compared with what we must have by way of price in order to recapture the export markets.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, the amendment the committee inserted in the bill to anchor the support price of cotton at the average grade and staple of the crop was requested by the vast majority of organizations of cotton farmers in the United States. It was requested by the vast majority of the cotton farm organizations from every area of the cotton belt.

They realized they had a problem. This is the first industry and the first group of farmers that have made the recommendation that the price support as it applies to the parity formula be slightly reduced. It is based on $\frac{7}{8}$ -inch cotton, one of the shortest and least desirable kinds of cotton produced.

In the year 1953 less than 3 percent of the American cotton production was $\frac{7}{8}$ -inch cotton. Every other farm commodity is supported on the basis of the average of the crop. Cotton used to be so supported at one time. Cotton was in the same position with every other commodity. However, during the war, because of the action of the Price Administrator, former Senator Bankhead had an amendment adopted—it was a gadget—which based the support price on the $\frac{7}{8}$ -inch cotton, for the reason that under the law the Price Administrator was required not to place a ceiling price on cotton below parity.

To evade the law, he based the ceiling price on textiles so low that the mills could not pay parity for cotton. This was a device to push the cotton price up.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield for a question.

Mr. RUSSELL. The Senator from Mississippi should know what $\frac{7}{8}$ -inch cotton has been the historic base of cotton for 100 years. It was changed by a regulation in the Department of Agriculture in 1939 and 1940. As soon as Congress got around to it, it put it back where it had been for 100 years.

Mr. EASTLAND. Seven-eighths middling used to be the standard for the crop. However, because of improved agricultural practices, that has come up to where trading in the futures exchanges is based on middling inch cotton, and less than 3 percent of the production is $\frac{7}{8}$ -inch.

In 1955 wheat had 95 percent support price. As a result for cotton being anchored at $\frac{7}{8}$ -inch, the support price for cotton in that year was 93.8 percent. In other words, cotton was supported cotton at prices above 90 percent. In voting against the amendment and in sustaining the action of the committee, we would be doing what the vast majority of the cotton farmers have requested us to do.

Mr. President, we cannot laugh off economics. As I said yesterday, cotton must be placed in a better competitive position with synthetic fibers. This is a part of the program which the Secretary of Agriculture has announced. In 1955, rayon displaced 978,000 bales of cotton. There are now under construction \$155 million worth of new rayon plants. The vast majority of cotton farmers want to keep cotton competitive. They realize that they must meet the competition of the synthetics if they are to say in business.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield for a question.

Mr. RUSSELL. Would the Senator be willing to support an amendment which would leave this matter to a vote of the cotton farmers?

Mr. EASTLAND. I know now what the organizations of farmers have requested.

Mr. RUSSELL. Oh, yes; I know—

Mr. EASTLAND. Just a minute. I yielded for a question only. The record will sustain what I have said. The organizations of cotton farmers have requested it. What it will do is that it will tend to stop rayon expansion.

The argument is made that this provision will reduce the price of cotton by \$10 or \$12 a bale. As the distinguished Senator from New Mexico [Mr. ANDERSON] has stated, if the amendment is not adopted, under the sliding scale the Secretary of Agriculture can reduce the support price and make up the 136 points or \$8 a bale. In my judgment, the price of cotton will not be increased or decreased.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. KNOWLAND. Mr. President, I yield 2 additional minutes to the Senator from Mississippi.

Mr. EASTLAND. Every segment of the cotton industry—millers, shippers, farmers, and compressmen—believe it is a necessary provision for a prosperous cotton economy.

Mr. JOHNSON of Texas. Mr. President, is the Senator from California willing to yield back the remainder of his time if the Senator from Georgia is willing to yield back the remainder of his time?

Mr. KNOWLAND. The Senator from Georgia does not have any additional time remaining, but I am prepared to yield back my remaining time, if there are no further requests for time in opposition. I suggest the absence of a quorum.

Mr. JOHNSON of Texas. Mr. President, will the Senator withhold his suggestion?

Mr. KNOWLAND. I am glad to withhold it.

The PRESIDING OFFICER. All time for debate has expired or been yielded back.

Mr. JOHNSON of Texas. I wish to correct the Senator from California. The Senator from Georgia could use some time on the bill, if he were so disposed to do. I hope we will have a yeas-and-nays vote on the pending amendment. Mr. President, I request the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on the amendment has either been used up or has been yielded back. All time for debate on the amendment has expired. The absence of a quorum has been suggested, and the Secretary will call the roll.

Mr. JOHNSON of Texas. Mr. President, the suggestion of the absence of a quorum has been withheld. As I understand, the yeas and nays have been ordered.

The PRESIDING OFFICER. The Senate will have to be in order, so that the Presiding Officer may hear what is said to the Chair. All time for debate on the amendment has been either used or returned. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE] on behalf of himself and the Senator from Oklahoma [Mr. KERR]. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, beginning with line 23, it is proposed to strike out through line 4 on page 4.

On page 4, line 6, strike out "105" and insert "104"; line 15, strike out "106" and insert "105"; and line 24, strike out "107" and insert "106."

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASE of South Dakota (when his name was called). I have a pair with the senior Senator from Colorado [Mr. MILLIKIN]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. DIRKSEN (when his name was called). On this vote I have a pair with the distinguished Senator from Kentucky [Mr. CLEMENTS]. If he were present he would vote "yea." If I were permitted to vote, I would vote "nay."

Therefore I withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS] and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in the State, and, if present and voting, he would vote "nay."

The Senator from Colorado [Mr. MILLIKIN] is detained on official business, and his pair with the Senator from South Dakota [Mr. CASE] has been announced previously.

The result was announced—yeas 42, nays 47, as follows:

YEAS—42

Barkley	Humphrey	Morse
Bible	Jackson	Mundt
Byrd	Johnson, Tex.	Murray
Carlson	Johnston, S. C.	Neely
Chavez	Kerr	Neuberger
Daniel	Langer	O'Mahoney
Ellender	Lehman	Russell
Ervin	Long	Scott
Frear	Magnuson	Smathers
Fulbright	Mansfield	Sparkman
George	McCarthy	Symington
Hayden	McClellan	Thurmond
Hennings	McNamara	Welker
Hill	Monroney	Young

NAYS—47

Aiken	Dworshak	Martin, Pa.
Allott	Eastland	Pastore
Anderson	Flanders	Payne
Barrett	Goldwater	Potter
Beall	Gore	Purtell
Bender	Green	Robertson
Bennett	Hickenlooper	Saltonstall
Bricker	Holland	Schoeppel
Bush	Hruska	Smith, Maine
Butler	Ives	Smith, N. J.
Capehart	Jenner	Stennis
Case, N. J.	Kennedy	Thye
Cotton	Knowland	Watkins
Curtis	Kuchel	Wiley
Douglas	Malone	Williams
Duff	Martin, Iowa	

NOT VOTING—6

Bridges	Clements	Kefauver
Case, S. Dak.	Dirksen	Millikin

So the amendment offered by Mr. GEORGE, for himself and Mr. KERR, was rejected.

Mr. AIKEN. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Vermont to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Vermont to reconsider the vote by which the amendment was rejected.

The motion to lay on the table was agreed to.

Mr. McCARTHY. Mr. President—

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I yield to the Senator from New Mexico, with the understanding that I do not lose the floor.

The PRESIDING OFFICER. The Senator from Wisconsin desires to yield to the Senator from New Mexico, for the purpose of permitting the Senator from New Mexico to move to reconsider the vote on another amendment, with the understanding that the Senator from Wisconsin shall not lose the floor. Is there objection? The Chair hears none, and the Senator from New Mexico may proceed.

Mr. ANDERSON. Mr. President, I desire to enter a motion to reconsider the vote by which the amendment proposed by the senior Senator from Kentucky [Mr. CLEMENTS] for himself and on behalf of the junior Senator from Kentucky [Mr. BARKLEY], designated as A-2-21-56, was agreed to, and I ask that the motion lie on the table.

The PRESIDING OFFICER. The motion will be received and will lie on the table.

Mr. McCARTHY. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Wisconsin.

The CHIEF CLERK. On page 4 lines 10 and 11, it is proposed to strike out "not less than 80 percent nor more than 90 percent" and insert in lieu thereof "not less than 90 percent."

Mr. McCARTHY. Mr. President, my amendment is very clear. It merely provides that the scale of "not less than 80 percent nor more than 90 percent" be stricken from the bill and that 90-percent supports on dairy products be made mandatory.

I shall state the reason for my amendment. I feel confident that the Secretary of Agriculture, Mr. Benson, if allowed discretion, will support dairy products at only 80 percent. I think that is discrimination against the dairy farmer. He is being treated as a second-class citizen. However, I talked at length on this amendment when it was submitted. Anything I would say now would be largely repetitious.

I am not going to ask for the yeas and nays on the amendment; I am merely going to ask for a voice vote.

If any Senator cares to address the Senate on the amendment, I shall be glad to yield time to him. Otherwise, I ask for an immediate vote on the amendment.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the senior Senator from Wisconsin as much time as he desires.

Mr. WILEY. I thank the Senator.

Mr. President, I realize that there was quite a fight in the committee in relation to the milk section. I have spoken repeatedly before city groups and farm groups in relation to the milk situation in the State of Wisconsin. I myself have been a dairy farmer since 1916. There was a time when we could buy machinery at 30 to 40 percent of what we have to pay now. There was a time when we could get labor at one-third of what we have to pay now.

The result is, Mr. President, that by and large, except in certain areas, the milk farmers in my State are not getting what might be called the cost of production plus a reasonable return for what they produce.

Or, putting it another way, the milk farmers are earning from 11 cents to 41 cents an hour, when they themselves can go into the cities and make from a dollar up to two and a half dollars an hour. The result is that there are foreclosures, and farmers are going out of business.

While I am speaking essentially on behalf of the small farmer, I want to say a few words about the national interest.

The national interest is primarily concerned in maintaining and preserving the productivity of this country. If we let the dairy business go haywire, so to speak, we shall let the soil of this country go to pieces. The best fertilizing agent is the dairy cow, and it preserves the productive condition of the soil.

We have heard a lot of talk on the floor of the Senate about the conditions which affect different segments of our society. We have protected labor by a minimum wage. We have increased the salaries of our public servants, our legislators, our administrators, and our judicial officers, in order that they may get a living wage. We have subsidized publishers of our newspapers and magazines by distributing their products at below the cost thereof. We have subsidized those who carry our mails out of the Treasury of the United States and made up the deficit of the Post Office Department. We have appropriated through the years millions of dollars for improving harbors on our coasts, which has resulted in the betterment of a certain class or group of cities. When floods or other acts of nature have destroyed property, the public purse has been called on to aid and assist. We have subsidized the shipping industry.

Yet, when it comes to sustaining the backbone of America—the American farmer, who is caught in a squeeze—we sometimes hear it called socialism.

I am interested primarily in seeing to it that that segment of America which has always been the backbone is not so depleted that, in the generations to come, we shall not be able to produce the food that is necessary.

COMMENDATION OF THE WISCONSIN
FARMERS' UNION

On this subject of socialism which we have heard so much of on this floor recently, I should like to make just a few observations with regard to the issue of the National Farmers' Union which has been raised within the past week on the Senate floor. I am not going to refer to anyone inside the Senate who holds views contrary to my own on the National Farmers' Union. But I want to say, in all fairness and frankness, that I do object most strenuously, and I dispute most vigorously, the criticism which is made of this organization. To my way of thinking, it is honest, it is patriotic, it is acting in accordance with its convictions—whether I happen to agree with all of its views or not.

Yes; I am glad to defend this organization, despite certain minor facts—

(a) I have on some occasions differed with both the national group and the group in my own State.

(b) Some few folks in the organization have in the past opposed me, particularly at time of election, which is their prerogative or any American's prerogative.

(c) At some times in the past there may have been in the organization some few individuals holding a questionable philosophy of Government; but the presence of such few individuals in a group is hardly unique. There is hardly an organization in America—a church, veterans' group, labor group, or professional group—which has not had some undesirables in it at one time or another.

But I say very emphatically that the National Farmers' Union is a law-abiding American organization; that its leaders and members are, to the best of my knowledge, patriotic citizens who

believe in the Constitution, the American flag, and every other symbol of our national existence.

WISCONSIN FARMERS UNION

And I want to say a particular word about members of the Wisconsin Farmers Union.

They are good, honest, hard-working, grassroots farmers. I have seen them countless times—here in Washington or in my hometown, which is State headquarters. I have spoken at farmers' meetings, sent statements to Farm Union periodicals, reprinted Farm Union resolutions in the CONGRESSIONAL RECORD.

I have written to members, telephoned to them, been in their houses, met them at county fairs, enjoyed contacts with them, as I have with the American Farm Bureau Federation, the National Grange, groups affiliated with the National Milk Producers Federation, and others.

These Wisconsin members of the Farmers Union are as American as folks in any of the other groups which I have mentioned. And I do not believe that it would be fair, in the slightest, if I were to let pass unnoticed any unfair criticism which reflects upon them or which compares some of their views in the same breath as views of the Communist Party.

If we are to judge American organizations solely by whether or not the Communist Party happens to parrot the same theme, then Heaven help us. For all I know, the Daily Worker may in its issue today have an appeal for contributions to the American Red Cross or to the Crippled Children's Fund. Would that fact reflect on the American Red Cross or on the Crippled Children's Fund? Of course not.

Let us, therefore, in fairness and frankness, follow policies which respect the rights of citizens to differ with us on farm parity or any other issue.

AGREEMENT ON MANY ISSUES

I, for one, am happy to have agreed with the Farmers Union on such vital issues as the St. Lawrence seaway, rural electrification, rural phones, livestock disease research, and a great many other matters. We have, however, differed on some topics. But, all this aside, Americanism or un-Americanism is a wholly different matter, and no man's or no group's patriotism should ever be unfairly impugned.

Mr. President, I realize that we cannot, by legislation, turn a crook into an angel; and I also realize that, by legislation, we cannot correct a lot of our economic ills. All we can do is create a condition so that the individuals who are suffering may be given, for the time being, a palliative. That is what we are asking for the milk farmers, who are producing milk, in certain sections of our State, at 5 and 6 cents a quart. Milk cannot be produced profitably at that price.

What are the remedies? The remedies are to see to it that for the time being the farmers will at least be given a living wage. How will that be done? That is why I am speaking on behalf of the amendment. I am satisfied that a price of 5 and 6 cents a quart will not give them a living wage. As a result,

the land will become vacant and unoccupied and unproductive.

I see the distinguished Senator from Florida has come on the floor. Let me tell him that down in the State of Florida the farmers are getting twice what the dairy farmers in Wisconsin are getting for their milk.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. HOLLAND. The Senator from Wisconsin is not suggesting that Florida farmers are getting supports from the Government is he?

Mr. WILEY. That is not what I said. I am talking about what the farmers of Wisconsin are getting for their products.

Mr. HOLLAND. I simply wanted the RECORD to be clear that the Florida dairymen are not asking for supports and are not getting supports.

Mr. WILEY. Of course not. The reason they are not getting supports is that they do not need them. Yet the Wisconsin farmers are working every bit as hard as Florida dairy farmers are, and they are producing better milk than is produced in Florida.

What is the remedy? First, for the time being, when the patient is sick he should be given support, and the support should be at least an adequate amount. Ninety percent would, I believe, produce about \$4.20 a hundred. \$4.20 a hundred would be about 10 cents a quart.

Mr. President, in discussing this subject, we must remember that we cannot by mere legislation remedy an economic ill. Therefore, I suggest that we remove the barriers in the District of Columbia, so that Wisconsin milk can be shipped into the District of Columbia, which is the best market in the world for milk and milk products. But now that cannot be done, at present. We often complain about the creation of economic barriers between countries, what about the economic barrier that has been created by the District of Columbia?

Second, Mr. President, we do not produce what really is an excess amount of milk; it will not be excess if there is sufficient distribution. But barriers are being built against the shipment of milk to various parts of our land—the land of the free and the home of the privileged. Who are the privileged? If we consider the price the farmers of Maryland and the farmers of Virginia receive for their milk, we find that they receive as much as 12 or 14 cents a quart.

In Wisconsin, the dairymen, in certain areas, are getting 5 or 6 cents a quart. The Wisconsin dairymen would like to ship milk to the District of Columbia, so that the school children in the District of Columbia can have plenty of milk, and so that the young people in the colleges in the District of Columbia can have three glasses of milk a day. Let us remove the barriers.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. BIELE in the chair). Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. WILEY. I yield.

Mr. HOLLAND. The milk producers who are in the Chicago milkshed are not getting the low prices the Senator from Wisconsin has mentioned.

Mr. WILEY. No; but they are getting about \$3.65 a hundred, which is about 8 cents a quart net. That is what they are getting in that milkshed area, after the shipping costs are deducted.

However, I am referring to the great number of producers in our State who do not have the privilege of shipping milk into the isolated areas that are provided under the law.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield further to me?

Mr. WILEY. I yield.

Mr. HOLLAND. Then the Senator from Wisconsin recognizes, does he not, that, after all, economics and the law of supply and demand have some bearing even in Wisconsin, where the milk producers who are in the Chicago milkshed get a satisfactory price for their product.

Mr. WILEY. I realize that the law of economics applies. That is why we raised the salaries of Senators. But the Senator from Florida does not want to have the income of the poor farmers raised. We have established minimum wages, so that the workers can live, but the farmer should not be considered.

Mr. President, I realize that my good friend, the Senator from Virginia, will not agree to the removal of the barrier that gives Virginia a land of milk and honey in Washington, D. C. But the milk producers in Wisconsin, are Americans, raise families, pay taxes, and want an opportunity to make a living wage.

Mr. President, I was referring to distribution of dairy products. Last year I took up with the Secretary of Agriculture the imperative need of getting milk into the schools of the country, because many of our young men who have gone into the armed services have been found to be physically defective, frequently because of malnutrition. Milk, butter, and cheese are the best foods in the world for the development of healthy bodies. As a result of our activities, more milk was supplied to the camps, and the schools. But at this time the conferees are delaying and are not reporting the bill for additional funds, so that more milk may be supplied to the schools. Mr. President, I am thinking of the children who need the great food that we in Wisconsin produce.

Mr. President, I also have suggested that there be established a laboratory which would have the specific assignment of engaging in research into other uses for milk, for food, and other uses.

In that connection, let me point out that, as was stated yesterday, nylon today is taking over the cotton market. Incidentally, Mr. President, I am now wearing a shirt made of nylon. If a shirt can be made from such synthetics, we should be able to use the constituent parts of milk for the production of other commodities than milk powder, butter, and cheese. The Government itself should be interested in the establishment of such a laboratory or institution. The place for it should be in Wisconsin.

The Secretary of Agriculture has done a fairly good job in the distribution of powdered milk and butter. As a consequence, the surplus supplies of those commodities have been diminished considerably. Our big problem is cheese. If we could educate some Senators and our people to eat as much cheese as they should—for cheese supplies the iron that everyone needs in his blood—we would begin a program which would mean that there would no longer be a surplus of cheese. And the result would be that the farmers who are producing this fine product would receive a living wage.

Mr. President, we must also consider the international field, in which there is very great need for these foodstuffs, including powdered milk. I myself frequently use Wisconsin powdered milk. If it is made into liquid milk, and then is placed under refrigeration, one cannot tell the difference between it and other kinds of milk, particularly some of the Virginia milk. [Laughter.]

Mr. McCARTHY. Mr. President, I wish to inform my colleague that my time has almost expired. I do not know what arguments may be made against the amendment. I should like to reserve some time, so as to be able to answer any arguments which may be made against it. Therefore, if my colleague will do so, I shall appreciate it very much if he will terminate his remarks quite quickly.

Mr. WILEY. How much time remains?

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. McCARTHY] has 3 minutes remaining.

Mr. WILEY. Then, Mr. President, I yield the floor.

Mr. President, let me say to my colleague that I thought 1 hour was available to us.

Mr. McCARTHY. No; unfortunately not.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, I hope with the two Senators from Wisconsin, that the time is not far off when our dairymen will get a good price, not only for milk that is used in fluid form for human consumption, but also for milk used for processing into dairy products.

However, Mr. President, we have had a rather unsatisfactory experience with 90-percent supports for dairy products. It will be recalled that for the several years prior to 1954, 90-percent supports for dairy products were in effect. But the dairymen did not receive the full 90 percent. Instead, they lost 14 percent of their per capita market for dairy products; and even now, that has not been recovered.

Then, in the spring of 1954, as Senators will recall, the support price for dairy products was dropped to 75 percent of parity. For the first few months, there was a sharp drop in the income of the dairymen; but then it began to pick up. It picked up more in some parts of the country than it did in others. Since then, we have recovered the market for

approximately 300 million pounds of the 500 million pounds which were lost, in the case of butter. A year ago the Commodity Credit Corporation had on hand 266 million pounds of butter. Today, the Commodity Credit Corporation has on hand only about 10 million pounds of butter. Other surpluses of dairy products have been reduced accordingly.

As I have said, in the spring of 1954 the support price of milk was fixed at 75 percent of parity. But because of the increased consumption, it was possible in the spring of 1955 to increase the support price to 78 percent of parity. This year, because of still more favorable conditions, including the supply and demand factor, it has been possible for the Secretary of Agriculture to set the support price at 82 percent of parity.

Mr. WILEY. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I shall yield in just a minute, Mr. President.

However, in setting the support prices, we must set them on a national basis. Unfortunately some parts of the country, particularly the States of Wisconsin and Minnesota, and some of the adjacent areas, have not shared in the general improvement which some other parts of the country have experienced. I think they are on their way. The surpluses are getting out of the way. There is 61 percent less butter in storage today in the important storage centers of the country than there was a year ago.

Civilian per capita consumption of milk and other dairy products has gone up 21 pounds per capita in the past 18 or 20 months. Consumption has increased in the past 2 years about 8½ billion pounds, while production has been increasing about 3 billion pounds. So we are on the way.

We have a problem in the manufacturing areas which we have not yet been able to solve, because, regardless of the fact that manufacturing milk is supported at \$3.14 a hundredweight, in Wisconsin today I find that the price which is being paid by the plants is \$3 a hundredweight. The farmer is not getting the 14 cents additional which he ought to get under the support program. There are many reasons why he is not getting it. I suppose some of the plants cannot pass it back and continue in existence. Others may not have the desire to pass it back.

The supply and demand situation is straightening out. I hope that by the coming fall the market price of all milk in this country will be averaging 90 percent of parity. It averaged 87 percent in February—97 percent for fluid milk and 82 percent for manufacturing milk, making the average for all milk 87 percent of parity. That is some improvement.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. McCARTHY. I think the Senator is mistaken so far as my State is concerned. Milk has not averaged 87 percent of parity.

Mr. AIKEN. I do not believe it has, either; and it is unfortunate, in view of the fact that the State of Wisconsin has done a magnificent job in promoting the

sale of fluid milk, which is what brings the higher price to the farmer. The New York City and Philadelphia areas have increased the consumption of milk only 2½ percent, barely keeping up with the increase in population. The State of Wisconsin has increased the consumption of milk 10 percent in the past few years. The Twin Cities have increased consumption by 12 percent, or even more. However, the producers are stuck with lower prices for manufacturing milk. That is one of the major problems of the dairy industry today. I do not believe that a return to the 90-percent program is the solution.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield 1 minute to me?

Mr. ELLENDER. I yield 1 minute to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I shall confine myself to 1 minute.

I am very happy that the Senator from Wisconsin has offered this amendment. I favor it. We have the same problem in South Dakota that exists in Wisconsin. Wherever reliance is placed upon the market for manufacturing milk, we find that a little gimmick in the bill, in lines 11 and 12 on page 4, weakens the effectiveness of the price supports, and prevents the farmer from getting the full price-support guaranty. The language is:

Not less than 80 percent nor more than 90 percent of the parity price therefor using a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive.

It is on the basis of a parity equivalent for manufacturing milk that we are shaved down.

The committee, in its reconstruction of section 105, took a strong step forward in the direction of accomplishing, to a degree, what the amendment offered by the Senator from Wisconsin would accomplish to a greater degree—and I think a justifiable degree. By selecting the 30-month period and changing the formula, we have taken a step in the right direction. However, Senator McCARTHY's amendment would be a longer step in this same commendable direction.

Mr. President, I urge support of the pending amendment.

Mr. ELLENDER. Mr. President, I rise in opposition to the pending amendment. As has been stated, this amendment would require dairy products to be supported at not less than 90 percent of parity instead of between 80 and 90 percent, as is now provided in the bill.

On the basis of January 15 data, this would raise the minimum support price for manufacturing milk to \$3.65 per hundredweight, or 40 cents above the level provided in the bill, and 50 cents above the current support price. No method of controlling production of dairy products has been devised; supporting these perishable commodities at the proposed 90 percent of parity level may build up stocks and price-support costs to such a point as to endanger the entire price-support program.

The committee voted to place in the bill, in section 105, a provision raising the support level of milk from its present range of 75 percent to 90 percent of parity, to the proposed new scale of 80 percent to 90 percent of parity. We also provided that the parity equivalent for manufacturing milk, based upon a 30-month period, from July 1946, to December 1948, both inclusive, would be used instead of the moving base period.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I will yield in a moment.

The change in the formula means that, under the present law, if price support remains at from 75 to 90 percent of parity, the minimum support price on manufacturing milk will be raised from \$2.88 to \$3.25, a difference of 37 cents. If the amendment offered by my good friend from Wisconsin were adopted, it would mean that manufacturing milk would be supported at about \$3.65 per hundredweight. My fear is, as I stated before the committee, that much of the milk which is now used in the raw state would find its way into manufactured products and, ultimately into CCC storage. As the record shows, in the past 2½ years, the losses to the Government on powdered milk manufacturing milk, butter, and cheese aggregated almost \$700 million.

Mr. McCARTHY. Mr. President, will the Senator yield to me at that point?

Mr. ELLENDER. My good friend, the senior Senator from Wisconsin stated that the milk and brucellosis bill conferees on the Senate side were inactive. I should like to state that I have been sitting here for the past 3 or 4 weeks trying to get the pending bill through; nevertheless, I have, in the meantime, made a serious effort to get the conferees on the House side to sit with us, on the milk and brucellosis bill, but to no avail. I tried to get them to meet a week ago last Friday, and they were unable to do so. They asked that we meet the next day, which was Saturday; I was available, but was unable to get a sufficient number of the other Senate conferees.

We are confronted with this problem: The House Members were unwilling to take the Senate bill as we approved it. They have no objection to providing funds for the milk program, as well as the brucellosis program, until June 30.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. They would like to have the Senate place in the pending farm bill an amendment which would take care of the situation from July 1 on. If we did that, the conferees could meet, and within 10 minutes we would have sufficient money to provide for the program during the remainder of this fiscal year.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield first to the junior Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I should like to ask the Senator from Louisiana a question. I have a great deal of respect for his knowledge of agricul-

tural problems. I think he has been doing a tremendous job. Therefore I am sure he is aware of the situation.

The Senator from Louisiana has talked about increasing the price-support level to not less than 90 percent, instead of between 80 and 90 percent. Can we agree that if we leave it at from 80 to 90 percent, the present Secretary of Agriculture will certainly support milk at the lowest possible figure, namely, 80 percent, because at the present time he is supporting it at the lowest possible figure, namely, 75? For that reason, to give him the discretion of going up to 90 percent is meaningless, because he certainly will not do it, and the dairy farmer will still be discriminated against. Can we agree on that?

Mr. ELLENDER. Although the minimum is 75 percent, milk is now being supported at 82 percent.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I might say that the Secretary is required to support the price of milk, between 75 and 90 percent, at such a level as will obtain the desired production. In view of the increased consumption of milk during the past 2 years, he has been able to raise the support price from the minimum to 78 percent last year, and to 83 percent this year. If consumption continues to improve—and I believe the consumption of milk and milk products will steadily increase—it should not be too long when the support price will be up higher than it is now.

I say again that the support must be fixed on the national basis. Unfortunately, the Senator's State, with a high percentage of manufacturing milk, does not come up to anywhere near the national average of the price. In fact, it is second or third from the bottom in price. Minnesota is the lowest.

Mr. McCARTHY. The Senator mentioned 82 percent. The support price for dairy products in Wisconsin is not anywhere near 82 percent.

Mr. AIKEN. No; as I said, they are getting \$3 for manufacturing milk, although the support price is \$3.15.

Mr. ELLENDER. Mr. President, I should like to state to the junior Senator from Wisconsin that although in committee I voted against the section now in the bill, to which I have just referred, so long as it is in the bill, I expect to vote for it. Under the provision in the bill as it now stands, the minimum support level for fluid milk is increased to 80 percent of parity. With the parity equivalent for manufacturing milk fixed on a 30-month period, from July 1956 to December 1948, it will make possible even with the minimum support level of 75 percent of parity in effect, an increase in the support price from \$2.88 to \$3.25 for manufacturing milk.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Louisiana has approximately 15 minutes remaining.

Mr. ELLENDER. I yield.

Mr. WILEY. Throughout the debate on the farm bill, which has been in progress for some time now, I have tried to evaluate the arguments from the standpoint of the interests of the individual farmer and also from the national interests. I should like to say to the Senator—and I should like to have his answer—that the average farm in Wisconsin is 140 acres, and the average income of the farmer ranges from 11 cents an hour to 41 cents an hour. The result is that the farm population has gone down and is continuing to go down. Acres which should be kept fertile—and that is the point—are not being kept fertile. I should like to ask the Senator from Louisiana what he thinks the effect of the low income has upon the general welfare, causing people to leave the farm and to go into the cities—people who should be building their homes and earning their livelihood and enjoying their lives in the country—where wages average \$2 an hour. Under the circumstances, is it not of great interest and a challenge to us to see to it that the farm population remains on the farm and that that segment of our economy is kept economically healthy?

Mr. ELLENDER. I should like to state to my good friend from Wisconsin that the situation to which he refers is not peculiar to Wisconsin.

Mr. WILEY. I recognize that fact.

Mr. ELLENDER. The same conditions prevail in Louisiana and in Mississippi and in Alabama, and in other agricultural States.

What we tried to do in the bill in committee was to give immediate economic relief to the farmer. As I said, I voted against the inclusion in the bill of section 105, which was submitted by the distinguished Senator from Minnesota, providing for an increase of 5 percent in price supports for milk, and also changing the period used for computing the parity equivalent for manufacturing milk to 30 months, instead of 10 years.

Let me say further to my good friend from Wisconsin that the committee held hearings all over the United States in connection with this proposed legislation. We found that, generally speaking, those who produced milk were in fair condition. They were not complaining too much, because the production of milk was somewhat in keeping with the consumption of milk in their respective localities. It was only in parts of North Dakota, South Dakota, Minnesota, and Wisconsin—and only parts of those States—that we found there was quite a bit of complaint, and probably justified complaint.

However, I go back to the proposition that if we provide high price supports for raw milk, the tendency will be, as it has been in the past, for the farmers to utilize raw milk in the manufacture of butter and cheese and dried milk. My fear is that so doing will further aggravate the production problem to the point where the Government will again have to take over much butter, much cheese, and much dried milk. As I have stated, the losses sustained on operations of that nature have been very great. I do

not believe we should now vote an amendment which would further aggravate the situation.

Mr. WILEY. I do not believe the Senator from Louisiana has answered my question. I asked him whether there was a great public interest and challenge to see to it that the farm population of America remain on the farms and receive a wage at least sufficient to permit them to stay there.

Mr. ELLENDER. Yes.

Mr. WILEY. The Senator has answered that question.

Mr. ELLENDER. I agree.

Mr. WILEY. In listening to the arguments on the farm bill, I noticed that there was a diversity of opinion. For instance, a few minutes ago, we discussed cotton. Some Senators stated what they felt would be the right course to take in respect to that. Others said that was not the right course. I have listened to both sides of the argument during the debate, and I have had to form my opinion, not in the sense that I particularly favor one side or another side, but I do have, as I said, the interest of the farmer and the public interest in mind.

I say to the Senator that the same rule applies to the farmers in the South. However, there is a great difference. Cotton is not a food. We can get along without cotton. However, we cannot get along without food. If we paralyze the food industry of America by shortsightedness, in failing to give honest workers who work 14 or 15 hours a day a decent wage, we are challenging the life of the Nation. It was this group of people who, when the world wanted food, fed the world; when people wanted food, the farmers fed them and increased their production. Now at long last we are saying to them, "Starve, or get off the farm."

Mr. ELLENDER. Mr. President, I yielded to the Senator for a question, not for a speech.

I wish to repeat that the same condition about which the Senator speaks prevails all over the South. There are many small farmers there who try to make a living from 25 percent of their total farm acreage. The thing to do is to give them immediate help by increasing the prices they receive, by raising support prices on that which they produce. But that battle has been lost, and I have nothing further to say about it. I wish to say to my good friend from Wisconsin that the conditions to which he refers are not peculiar to the State of Wisconsin.

Mr. President, this amendment would require dairy products to be supported at not less than 90 percent of parity, instead of between 80 and 90 percent as provided by the bill.

On the basis of January 15 data, this would raise the minimum support price for manufacturing milk to \$3.65 per hundredweight, 40 cents above that provided by the bill and 50 cents above the current support price. No method of controlling production of dairy products has been devised and support of these perishable commodities at this level may build up stocks and price-support costs

to such a point as to endanger the entire price-support program.

Mr. McCARTHY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. McCARTHY. I yield myself half a minute of that time and will give the remainder to the senior Senator from Wisconsin.

Mr. President, I am very happy to find the senior Senator from Wisconsin and myself in complete agreement. He and I have differed very often, and I am very happy to find that when the interests of the dairy farmer are considered the senior Senator and I are in complete agreement.

Mr. President, I yield the remaining 2½ minutes to my colleague.

Mr. WILEY. I thank the junior Senator from Wisconsin.

Mr. President, the farm is the true laboratory of all life—where nature's mysteries, birth, growth, and decline rhythmically unfold with the seasons.

Springtime will soon be here, and with it the first buds, the first shoots. Where in the cities can we see so awesome and inspiring a drama as on the farm?

But farming is no easy task. It is back-breaking. It is complex and requires long hours of work. The dairy farmer must be a plant and an insect expert, an amateur veterinarian, a mechanic, accountant, economist, and a dozen other specialists rolled into one—7 days a week, virtually 52 weeks a year.

I mention these facts so that the city man or woman may better appreciate the farmer's problems.

I mention them so that some city people may not say: "Oh, listen to those farm Senators talking about parity supports for the farmers, as if they were the only ones involved."

The consumer is very definitely involved in the farm question. He does not want to see huge cotton or tobacco surpluses. He does want to see dairy items produced for the stomach, not for the warehouse.

Mr. President, I sincerely feel that the few cents we are giving the farmer, approximately \$3.65 a hundred pounds, or about 9 cents a quart, for milk for which we have to pay 24 or 25 cents a quart, is not treating the farmer properly.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. ELLENDER. Mr. President, I yield back such time as I have remaining.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY].

The amendment was rejected.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. On page 35, between lines 14 and 15, it is proposed to insert:

PEANUT MARKETING PENALTIES

SEC. 405. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural

Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 percent of the support price for peanuts for the marketing year (August 1-July 31)."

Sec. 406. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States."

Mr. BYRD. Mr. President, I yield myself 5 minutes.

This amendment differs slightly from the amendment which I offered a few days ago. Changes were made at the suggestion of the Department of Agriculture. All the amendment does is to change the present penalty of 50 percent of the support price to 75 percent of the support price, in order effectively to deter violations. Currently, violators with sizable excess acreages are mostly larger landowners with customary landlord-tenant arrangements whereby the landlord furnishes the land and fertilizer against the tenant's labor and machinery. Fertilizer costs for peanuts are relatively low. Hence, the landlord, who does not care about the soundness of the overall program can expect a return on excess peanuts comparable to other crops which have a lower support or no support.

The great majority of growers want the penalty increased so as to prevent the few who are not interested in the soundness of the program from endangering the program.

Also, the problem of administering and enforcing the penalty is most difficult where a farmer has more than one farm allotment and complies on one farm but is over on other farms. In such cases those who wish to avoid some of the penalty will market some of the peanuts from an excess farm on the marketing card for the within quota farm.

The proposed amendment does one thing: Increases the penalty for excess peanuts from 50 percent to 75 percent of support price.

Mr. President, so far as I am aware, there is no opposition to this amendment, and I ask that it be adopted and made a part of the bill.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

Prior to the calling up of this amendment, the Senator from Virginia asked that the committee look over it, and I submitted the amendment to the Department of Agriculture. There was one objection to the original amendment, namely, to that portion which appeared at the bottom of page 2, wherein the

Secretary was authorized to compromise any claim for penalty provided by that section at any time prior to the referral of such claim to the Department of Justice. The Department of Agriculture took the position that the provision might result in a great deal of pressure being brought on the Department, in certain cases.

With that provision deleted, and with a few minor changes, I, as chairman of the committee, have no objection to the amendment, for the simple reason that the only thing it does is to increase the penalty in connection with peanut marketing quotas from 50 percent to 75 percent of the support price; it also would require the payment of interest at 6 percent.

Mr. KNOWLAND. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. Does the Senator from Virginia yield back the remainder of his time?

Mr. BYRD. I do, Mr. President.

Mr. ELLENDER. I am prepared to yield back my time.

The PRESIDING OFFICER. All the time on the amendment is yielded back.

The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. STENNIS. Mr. President, for myself and on behalf of the senior Senator from Mississippi [Mr. EASTLAND], the senior Senator from Arkansas [Mr. McCLELLAN], the junior Senator from Arkansas [Mr. FULBRIGHT], the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from South Carolina [Mr. THURMOND], the senior Senator from Alabama [Mr. HILL], and the senior Senator from North Carolina [Mr. ERVIN], I call up my amendment 3-7-56-Q, and ask that it be read.

I also ask that the name of the senior Senator from Georgia [Mr. GEORGE] be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, the name of the senior Senator from Georgia will be added as a cosponsor.

The clerk will now state the amendment offered by the junior Senator from Mississippi, for himself and on behalf of other Senators.

The CHIEF CLERK. On page 31, between lines 10 and 11, it is proposed to insert the following new section:

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

SEC. 403. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

I feel the amendment is noncontroversial and is fully understood by the membership of the Senate generally. It merely provides that the cotton acreage allotments for the years 1957 and 1958 shall not be reduced below the cotton acreage allotment applying for 1956.

The reason for offering the amendment is that the reduction in cotton acreage allotments has been so rapid and so severe during the past few years that the allotments have already reached a point where a great segment of the cotton farmers cannot stand any more acreage reductions and still continue to grow cotton.

In 1953, 28,330,000 acres of cotton were planted in the entire Nation. That acreage has steadily fallen, so that in 1956 the allotment for cotton was only 17,391,000 acres. From a national standpoint, that is a reduction of 37 percent in 3 years.

If the agriculture bill shall become law, and even though it may be successful with reference to surpluses and the operation of the soil bank according to best possible calculations we shall be faced with an additional national reduction in cotton acreage next year amounting to more than 1,500,000 acres.

The acreage reduction already has gone beyond that required in many cases to permit an income necessary to meet minimum family needs. The reductions at the State level are even much more severe than they are at the national level. Farmers in my own State of Mississippi, have suffered a reduction of 40.1 percent from the 1953 level. If the scheduled reduction for 1957 should occur, there will be another 11.4 percent statewide reduction. This will bring about a total reduction of 48 percent in acreage since 1953, and will result in an unbearable situation.

Furthermore, when reductions are applied at the county level, they are frequently much higher on a percentage basis than they are at the State level. In many of the counties of Mississippi the reductions for 1957 would run as high as 15 percent when applied at the county level, and even higher when applied at the farm level.

The reductions which have already been sustained have created hardships for all farmers but have been the hardest on what we call the homestead farmer.

A large operator may lose some of his acres, but if 3 or 4 years later he cares to come back under the plan, he is still in business and can take advantage of the acreage. But the reductions which have been sustained by the homestead farmer have been putting him out of business. If the reductions go any further, he will have to suffer severe losses, or move away from his farm. When times get better or the acreage situation improves, he will not be able to benefit because he will have left the farm.

There are floors for wheat, corn, peanuts, and rice. In the amendment now being considered a floor is being sought for cotton, so as to meet conditions in the next 2 years only.

Another evidence of the acreage reductions is the fact that in 1955, throughout the cotton area, 55,000 rental families were caused to be displaced. Acreage has been reduced so often that the point has been reached where such reductions cannot be borne any longer. Additional reductions will fall the hardest on those who are least able to bear them.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. ELLENDER. As the Senator stated in his opening remarks, there seems to be no opposition to the amendment.

Mr. STENNIS. Not so far as I know.

Mr. ELLENDER. I understand that the administration likewise has stated that it does not object to the amendment. There is a letter in the RECORD to that effect, dated March 2, 1956; it appears in the CONGRESSIONAL RECORD for March 8, 1956, on page 3765.

Mr. STENNIS. Mr. President, I yield 5 minutes to the senior Senator from Alabama.

Mr. HILL. Mr. President, I join with the Senator from Mississippi in urging the adoption of the amendment. The Senator from Mississippi has clearly presented the picture which confronts the cotton farmer today, particularly the cotton farmer who has a small acreage. The Senator made a very extended presentation on Wednesday night of last week, showing how necessary it is that the amendment be agreed to.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. YOUNG. I had to step outside the Chamber in order to answer a telephone call while the Senator from Mississippi was speaking. How much of an increase in acreage would the amendment provide?

Mr. STENNIS. It provides for no increase at all; it would merely carry the acreage at the 1956 level.

Mr. YOUNG. How much of a drop would the amendment prevent?

Mr. STENNIS. It is anticipated that next year there will be a reduction, on a nationwide basis, of 8.9 percent, or in round numbers, about 1,500,000 acres.

Mr. YOUNG. Will the amendment prevent a drop in acreage then?

Mr. STENNIS. It will prevent a drop in acreage for next year.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HILL. I am glad to yield.

Mr. EASTLAND. It simply provides, for 2 years a floor under cotton acreage similar to that which is now enjoyed by wheat and other commodities. We today placed the cotton support price on the same basis as that of wheat. The amendment would place a floor under acreage reductions for cotton at the same amount as now exists.

Mr. YOUNG. Mr. President, I will not oppose the amendment, but I do not think the statement is quite accurate, so far as wheat is concerned. The wheat farmers brought their production this year into line with domestic needs plus exports. Cotton producers raised a great deal more cotton than it was possible to consume domestically and to export abroad.

Mr. EASTLAND. What my friend says is true; but the amendment makes economic sense when considered together with the export program which has been announced.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. There have been very substantial subsidies for the export of wheat. If there had been similar subsidies in the past few years with respect to the export of cotton, there would not be any surplus cotton left in the country, and no acreage reduction would be necessary.

Ordinarily, I would not have favored the amendment of the Senator from Mississippi. If the soil bank program becomes effective, it is intended that it will take 3 million acres out of the cotton acreage allotment. That would mean a reduction, based upon last year's yield, of about 2,500,000 bales.

Under the soil bank proposal, the more realistic grade on which to base the support price for cotton would be reestablished.

The Government is also moving ahead with a very promising cotton export program. It may be recalled that the Secretary of Agriculture announced last fall that in January he would offer on the world market a million bales of the lowest grade cotton. That offer was supposed to have been good until August. The million bales were sold in about 6 weeks time; and in the seventh week the entire amount was disposed of.

It looks as if we can recover the world market for cotton which we had even a few years ago. If we couple the increased sales of 2½ million bales of cotton with another 2½ million bale reduction through the operation of the soil bank, there will be a 5 million bale difference in the situation as it exists this year.

It is true that there are about 14 million bales of cotton on hand, which is just about a year's domestic supply, plus what we hope will be a year's export.

In view of that, if those provisions remain in the bill and the bill becomes law, we might assume it will not be necessary to cut the acreage below what it is now, in order to reduce the surplus to manageable proportions.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. STENNIS. Mr. President, I yield 5 additional minutes to the Senator from Alabama.

Mr. HILL. I yield to the Senator from North Dakota.

Mr. YOUNG. I hardly agree with the statement of the Senator from Vermont. It is true that wheat has enjoyed a better export program, but wheat is in a completely different category. Wheat is grown in practically every State of the Union and in practically every country in the world, and every country in the world except three has a higher support level than we have in the United States. We would not be able to export very much wheat unless we had an export program.

I envy the cotton producers for getting such a favorable concession from the Department of Agriculture, but I would be the last one to stand in the way of the cotton producers from getting a better deal. I point out that the treatment accorded to cotton farmers is much better than that accorded to wheat farmers. I think it is the wrong way to do business, but I am not going to stand in

the way of cotton farmers receiving what I think is a fair deal. We shall continue our fight in behalf of more equitable treatment for wheat farmers, I do not think the Congress will stand for the unfair treatment the Secretary of Agriculture is dealing the wheat farmers.

Mr. HILL. The Senator is very fair in his attitude, and I wish to assure him that anything we can do to make sure that his wheat farmers are treated properly we shall be glad to do.

Mr. President, I urge the adoption of the pending amendment so as to prevent a reduction in the national cotton acreage allotment for 1957 and 1958 below the allotment for this year.

I have joined in offering the amendment, and I cannot impress upon the Senate too strongly the urgency for its adoption.

The junior Senator from Mississippi has presented to the Senate the picture of the critical situation confronting cotton farmers in Mississippi and throughout the Cotton Belt, and the disastrous consequences that are resulting from continued reduction in cotton-acreage allotments.

In Alabama, as in Mississippi and other cotton-producing States, cotton is still the chief source of cash income for the overwhelming majority of our farmers. The farmers throughout the Cotton Belt have put forth herculean efforts and made unexcelled strides in the diversification of their crops and their sources of income. In no section of the Nation have farmers done more to carry out the policies of Congress which have declared diversification to be in the national interest. Our cotton farmers, and particularly those operating family size cotton farms, have for years, by practicing diversification, steadily and voluntarily reduced the extent of their reliance upon cotton as a source of cash income.

Now we come face to face with the anomalous situation of finding these same farmers who have done so much to carry out the policies of Congress being penalized more than any others for having diverted cotton acres to other sources of farm income.

With the decline in the price of livestock and other crops to which the cotton farmer has diverted, he is now being subjected to severe hardship and even being driven from his farm for carrying out the very agricultural reforms Congress declared were essential to strengthen his economic position and that of the Nation.

The cotton acreage of small farmers in particular has been reduced to the point of virtually destroying their ability to get credit to carry on their farming operations. Thousands of such farmers throughout the Nation are being forced to leave the soil they love only to swell the rolls of the unemployed in our towns and cities. In addition, in the single year 1955, 55,348 tenants and their families in the Cotton Belt were forced to leave the farm because of reductions in cotton allotments. Seven thousand five hundred and fifty-four of these were in Alabama.

I wish to take a moment to describe the gravity of the situation in my State.

In 1953 Alabama farmers planted 1,652,980 acres of cotton. Two years later Alabama farmers had suffered drastic acreage cuts amounting to almost 550,000 acres. This tremendous reduction in their No. 1 source of cash income was followed by a further reduction this year of approximately 76,000 acres. This amounts to a total reduction of some 38 percent in a 3-year period.

Let us keep in mind that these same cotton farmers have suffered large reductions in their profits from their other farming operations, and many have suffered great losses in these other farming operations. Add to this the 38-percent reduction in their cotton acreage, the decline in the price of cotton, and the rising cost of all farming operations, and we readily see why it has become impossible for thousands of our farmers to make ends meet, and why they have had to abandon their farms.

I am sure no Member of the Senate would contend that any businessman in America could long survive with such losses.

Ironically, while the cotton farmer is being driven out of business, corporation income and the income of nonfarm people have increased sharply.

During the past year corporation income increased by 26 percent; the average worker's income increased 7 percent, while the farmer's income in the same period dropped another 11 percent. The farmer's share of the consumer dollar has dropped to the lowest point in 15 years. Today the parity ratio stands 6 points below the 1935-39 average. The farmer's share of the national income is at the lowest point in the history of the United States. The Department of Agriculture announced on Tuesday a drop of a billion dollars in the net income of the farmers of America in the single year 1954-55.

The Nation simply cannot afford to permit such a situation to continue. Yet, unless the pending amendment is adopted the situation will not only continue as it is, certainly insofar as our cotton farmers are concerned, but will grow much worse next year, when the national acreage allotment will drop by another 1,549,720 acres, from 17,391,000 acres down to 15,842,000 acres. This will amount to a further acreage reduction nationally of 9.8 percent. The farmers of Alabama will suffer a further loss of 119,638 acres, or a loss of 11.6 percent. This would mean that the farmers of Alabama would suffer a total loss in their No. 1 source of cash income of 49.6 percent in the short span of 4 years.

To permit that to happen would be the sheerest national folly. We cannot afford the terrible economic consequences that would result—the further curtailed production of industry, the increase in unemployment, and the further weakening of the Nation's economy and the Nation's strength. And we cannot afford to ignore the social aspects associated with driving the small farmer and his family away from the farm.

It cannot be denied that the family size farms have through the decades been the wellsprings of the intellectual, the moral, and the spiritual strength of our country. Unless we are prepared to

see them wiped out, the amendment before the Senate must be adopted.

The hour demands a return to the constructive thinking and positive action that did so much to lift the farmer from the depths of the great depression. We must extend to the American farmer understanding, not indifference; appreciation, not persecution; faith, not cynicism; action, not promises. The question is not whether we can afford to come to his rescue. The question is: Can we afford not to come to his rescue?

Mr. KNOWLAND. Mr. President, I am prepared to yield back any time remaining to me, if there are no Senators who wish to speak.

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment on page 31, between lines 10 and 11, offered by the Senator from Mississippi [Mr. STENNIS] for himself and other Senators.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I call up my amendment, identified as "3-7-56-J."

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 27, it is proposed to strike out lines 13 through 18, inclusive, and to insert in lieu thereof the following:

SEC. 304. (a) Hereafter the quota for cotton having a staple length of $1\frac{1}{8}$ inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established.

(b) Effective not later than August 1, 1956, the Secretary of Agriculture and the Commodity Credit Corporation are directed to use their existing powers and authorities to encourage the sale for export at competitive world prices a quantity of domestically produced extra long staple cotton equal to the amount of such cotton acquired by and brought to the United States pursuant to the act of June 7, 1939, which acquisition was not limited by the quota established pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended. The amount offered and the price accepted by the Secretary and the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

Mr. HAYDEN. Mr. President, as Senators will observe, the amendment is in two parts. The first part deals with the quota on imported cotton. The present quota was initially established on September 20, 1939, at 95,118 bales for $1\frac{1}{8}$ -inch cotton or under.

That limitation on cotton imports remained in effect until December 1940, when, for defense purposes and needs, it was decided to bring in cotton of $1\frac{1}{16}$ inches in length, and eliminate it from the quota. The Department of Defense now states that there is no longer any urgent military need for that quality of cotton. Such cotton is produced only in Peru, and it involved twelve or fourteen thousand bales. The entire quota would remain at 95,118 bales, and would apply to all nations. The probable effect will be that supplies

of Peruvian cotton will continue to come into this country at an annual rate of about 15,000 bales and that much less Egyptian cotton will be imported.

As to the second part of the amendment, it is a substitute for section 304 in the reported bill, and reads in part as follows:

To encourage the sale for export at competitive world prices a quantity of domestically produced extra long staple cotton equal to the amount of such cotton acquired by and brought to the United States pursuant to the act of June 7, 1939.

In 1951 and 1952 our Government bought and brought to the United States a quantity of Egyptian cotton reported in the trade to be between 150,000 and 175,000 bales which is now in the stockpile as a strategic reserve. In case we should become involved in war and needed the cotton to make thread or other products, that quantity of long-staple cotton will continue to be available for such purposes. No one proposes to disturb that strategic reserve, but there are on hand about 125,000 bales of $1\frac{1}{8}$ inches or longer American-grown cotton which has been acquired by the Commodity Credit Corporation. The proposed amendment contains a direction to sell that long-staple cotton in an orderly manner within a reasonable period of time on the world market.

The amendment strikes out the provision of the bill which the Senator from New Mexico [Mr. ANDERSON] offered in the committee, but he now thinks my amendment is better, and he is entirely willing that the following language be stricken from the bill:

The Secretary of Agriculture is authorized and directed to provide sufficient incentive to domestic users of extra long staple cotton so as the assure domestic utilization of a minimum of 30,000 bales of such cotton annually—

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ELLENDER. As I understand the Senator's amendment, it strikes from the bill section 304, which directs the Secretary to provide sufficient incentive to get rid of 30,000 bales of long-staple cotton a year.

Mr. HAYDEN. Yes. In lieu thereof, my amendment would direct the Secretary to try to sell at the world price about 125,000 bales of American grown long-staple cotton.

Mr. ELLENDER. Without the incentive?

Mr. HAYDEN. That is correct.

Mr. ELLENDER. Mr. President, I send to the desk an explanation of the new language which is to take the place of the section which the committee adopted as section 304, on page 27 of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would (1) include cotton having a staple length of $1\frac{1}{16}$ inches or longer within the import quota under section 22 of the Agricultural Adjustment Act of 1933 for cotton having a staple length of $1\frac{1}{8}$ inches and longer, and (2) direct the Secretary and the Commodity Credit Corporation to use their existing powers to encour-

age the exportation of a quantity of extra long-staple cotton equal to the quantity which was acquired and imported under the Strategic and Critical Materials Stockpiling Act.

An annual import quota of 45,656,420 pounds of cotton $1\frac{1}{8}$ inches or longer was made effective September 20, 1939. This quota was suspended with respect to cotton $1\frac{1}{16}$ inches and longer December 16, 1940. The amendment would make the amendment applicable again to cotton $1\frac{1}{16}$ inches and longer.

The quantity of extra long-staple cotton under the Strategic and Critical Materials Stockpiling Act is classified information and is not available at this time.

The PRESIDING OFFICER. Does the Senator from Arizona yield back the remainder of his time?

Mr. YOUNG. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. YOUNG. There was a special provision written into the Agricultural Act, I think 2 years ago, with respect to long-staple cotton produced in Arizona. Is that correct?

Mr. HAYDEN. Long-staple cotton is produced in Arizona, west Texas, New Mexico, and California.

Mr. YOUNG. To what did the provision pertain?

Mr. HAYDEN. To Puerto Rican cotton.

Mr. YOUNG. At that time, 2 years ago, we were importing the long-staple cotton, and we made a special concession to the producers of this type of cotton.

Mr. GOLDWATER. If the Senator will yield, I think he will recall that the legislation was to exclude Puerto Rican long-staple cotton from the totals. Twelve hundred bales was the figure, as I recall.

Mr. YOUNG. There was a change in the price support. I think I know what happened.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of my time if no Senator desires any time.

Mr. HAYDEN. I yield back the remainder of my time.

The PRESIDING OFFICER. Both sides have yielded back the remaining time. The question is on agreeing to the amendment of the Senator from Arizona [Mr. HAYDEN] on page 27, lines 13 through 18.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I call up my amendment identified as "3-8-56-F." The amendment in modified form is submitted by me, on behalf of myself and the Senator from New York [Mr. LEHMAN]. I send the modified amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER (Mr. ALLOTT in the chair.) The amendment as modified will be stated.

The LEGISLATIVE CLERK. On page 30, between lines 17 and 18, it is proposed to insert:

USE OF VOLUNTARY AGENCIES

SEC. 310. That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(a) Section 201 is amended by striking out "free on board vessels in United States ports."

(b) Section 202 is amended by striking out the period at the end thereof and inserting: "Provided further, That such transfer may include delivery free on board vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title, or section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry for such nations or populations, may be paid from funds available to carry out this title."

(c) Section 203 is amended by striking out "\$300,000,000" and inserting "\$500,000,000."

(d) The first sentence of section 203 is further amended by inserting before the period at the end thereof the following: "and for ocean freight charges authorized by this title."

The PRESIDING OFFICER. How much time does the Senator from Minnesota yield to himself?

Mr. HUMPHREY. Mr. President, I yield myself 20 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 20 minutes.

Mr. HUMPHREY. Mr. President, the modifications of the amendment are designed to meet questions raised by the administration as to whether the original amendment would require duplicate bookkeeping on the part of the Commodity Credit Corporation and the International Cooperation Administration. The modifications also separate processing authority from this amendment, so as to confine it entirely to the point of broader authority for the President in the payment of ocean freight on shipments handled by voluntary agencies. The processing authority previously included in the amendment is being offered alone in a separate amendment for that purpose, to be offered by the Senator from Kentucky [Mr. CLEMENTS], with myself and the Senator from New York [Mr. LEHMAN] as cosponsors.

PURPOSE

Mr. President, the purpose of this amendment is to facilitate the broader utilization of America's farm surpluses in overseas programs and disaster relief efforts of American religious and other voluntary relief agencies.

Under the provisions of Public Law 480, such voluntary agencies have made a substantial contribution to overseas relief and rehabilitation, distributing surplus foods and other commodities to the homeless and destitute in more than 70 countries.

During the fiscal year 1956, 18 agencies will distribute more than 800 million pounds of surpluses to needy people abroad.

NEED FOR THIS AMENDMENT

An editorial in the Washington Post and Times Herald for Tuesday, March 13, pointed up the need for this amendment. The Post editorial said:

DISTRIBUTE THE SURPLUS

The Department of Agriculture and American church and welfare agencies have been supporting a highly commendable program of distributing farm surpluses to needy persons overseas. To make it possible to expand the program, Senators HUMPHREY and LEHMAN have proposed an amendment to the farm bill which clarifies the law and provides additional funds. Under the share-of-surplus program, surplus commodities are made available to Protestant, Catholic,

and Jewish church groups and to such organizations as CARE for distribution where people are hungry because of floods, war, famine, earthquakes, and other misfortunes.

The United States Government pays for the cost of sea transportation. It is significant that the cost of transportation is some 40 percent less than the cost of storing these commodities in Government warehouses for 1 year. Here is an instance where we cannot afford not to be generous. At the same time, it is well to keep in mind that the real purpose of the program is to aid needy persons out of our own largesse. The program is not a large one and it is by no means a broad solution to the surplus problem or to the problem of hunger in the underdeveloped countries. But it has made humanitarian use of some surplus commodities to help relieve suffering; and it should be continued and expanded. Senate approval of the Humphrey-Lehman amendment would benefit both needy peoples abroad and the American taxpayer.

Recently, wheat, corn, rice, and dry beans have been added to the list of commodities available for distribution by these agencies. With the addition of these bulky commodities, ocean freight assumes increasing importance as a limiting factor in the ability of the voluntary agencies to use our surpluses.

For the current fiscal year, \$12,500,000 has been authorized for ocean freight on surplus commodities delivered to the voluntary agencies. With the expanded list of available commodities, the voluntary agencies would move nearly four times the tonnage previously used, were it not for the limitations on money authorized for ocean-freight charges.

Estimates made within the last few weeks, based upon actual need abroad, indicate that the religious and other voluntary agencies could, during the fiscal year 1957 dispose of more than 3,200,000,000 pounds of our farm surpluses without displacing any normal sales or otherwise disrupting the economies of the areas in which the surplus would be distributed. For this, upward of \$50 million would be required for ocean freight.

WHAT THE AMENDMENT WOULD DO

The amendment proposes that ocean-freight charges on commodities delivered to voluntary agencies under title III of Public Law 480 may be paid from funds available under title II of Public Law 480 upon a determination by the President that this is in the interest of the United States. It also provides that ocean freight may be similarly paid on commodities donated for disaster or other urgent relief under title II of Public Law 480.

The amendment increases the authority of the President to use surplus commodities for disaster, famine, and other urgent relief, from \$300 million to \$500 million, for the period ending June 30, 1957. As of February 29, 1956, \$170 million of this amount had already been allocated. The increase is needed (a) to insure that the President can respond promptly and adequately to any major disaster abroad between now and June 30, 1957; (b) to reimburse the Commodity Credit Corporation for the additional volume of commodities which may be moved under title II; and (c) for the increased amounts required for ocean freight—including that on commodities

distributed by voluntary agencies—under both title II and title III. The proposal continues the controls on expenditures presently exercised by the Administration through the International Cooperation Administration.

ADVANTAGES OF DISTRIBUTION ON PERSON-TO-PERSON BASIS BY VOLUNTARY AGENCIES

The country faces urgent need of disposing of its surplus commodities. Distribution through export trade and foreign governments is beset with limitations and obstacles. In many ways, distribution on a person-to-person basis—which is feasible only through the voluntary agencies—is the most satisfactory procedure. It cannot interfere with the agricultural economy of the recipient countries. It does not raise questions of competition with other friendly exporting countries. It avoids charges of "dumping." It provides continuous supervision of distribution abroad by American personnel, without interfering with the sovereignty of recipient countries. It assures support, within both host and recipient countries, which is not available to a government program. It mobilizes the voluntary financial and other support of American citizens in the distribution of our agricultural surpluses to meet human need in other parts of the world. It enlists the cooperation of foreign governments in the distribution to needy people. Indeed, the contributions of our citizens through the voluntary agencies, together with those obtained from foreign governments, are at least equal to the cost of ocean freight.

The amendment increases the effectiveness of the individual financial contributions of American people for foreign relief. It takes advantage of the sincere desire of religiously motivated peoples of all faiths to help feed the needy, wherever they may be, to speed up the disposal of our agricultural surpluses.

Eighteen voluntary agencies participated in freight reimbursement for the distribution of agricultural surpluses abroad during the fiscal year 1955. These organizations were American Friends of Austrian Children; American Friends Service Committee; American Jewish Joint Distribution Committee; American Mission to Greeks; Assemblies of God, Foreign Service Committee; Catholic Relief Services; National Catholic Welfare Conference; Church World Service; National Council of Churches; CARE; Foster Parents' Plan for War Children; International Rescue Committee; Iran Foundation; Lutheran World Relief; Mennonite Central Committee; Romanian Federation; Save the Children Federation; Tolstoy Foundation; Unitarian Service Committee; United Lithuanian Relief Fund of America.

FREIGHT CHEAPER THAN STORAGE

Last, but not least, Mr. President, the cost per pound of doing this, through payment of ocean freight, is less than the commodities owned by the CCC, the annual cost of storing the commodities in this country. Thus, the payment of ocean freight does not represent a net increase in the expenditures of the Federal Government.

In the year ending June 30, 1955, the average inventory of the Commodity Credit Corporation was \$4,200,000,000. The storage costs were \$332 million. On the commodities owned by the CCC, the storage charges were approximately 7.9 percent, not counting in-and-out charges.

During the same period—the fiscal year 1955—the voluntary agencies shipped abroad surplus food commodities valued at \$121,069,793.59, and were reimbursed for ocean freight in the amount of \$8,899,002.28, or an ocean freight cost of 7.35 percent.

While the commodities available in the future will consist of a larger proportion of grain and grain products, yet we believe it is fair to say that the ocean freight charges will be less than the annual cost of storing these commodities in the United States. To the extent that these surpluses can be moved on this person-to-person basis, everyone benefits.

HUNGRY PEOPLE SHOULD BE FED

Mr. President, the farmers do not want food to be stored to rot. Instead, they want the abundance with which God has blessed our land and our labors to be used for needy people at home and abroad. The Government is not a market. It cannot consume this surplus. If the taxpayer is taxed to pay for this food, he wants it utilized for human welfare. What better program is there for a democracy than the feeding of hungry people?

Mr. ELLENDER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. ELLENDER. As I understand the amendment, it increases the authority of the President to use surplus funds for relief, as the Senator from Minnesota has said, from \$300 million to \$500 million a year.

Mr. HUMPHREY. Yes—the amount which has been set aside under the act.

Mr. ELLENDER. I understand. The amendment further provides that moneys out of the funds to which we are now referring may be used for the payment of the freight.

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. I understood the Senator from Minnesota to say that a provision of the law did not permit the Secretary of Agriculture to use this money for the payment of freight.

Mr. HUMPHREY. The voluntary agencies feel this added authority is necessary in order to clarify the situation.

Mr. ELLENDER. The amendment, if adopted, would mean that all freight charges would be paid from these funds; is that correct?

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. And it would not be necessary for separate appropriations to be made for that purpose. Is that correct?

Mr. HUMPHREY. That is my understanding.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. LANGER. Let me say to the Senator from Minnesota that in our experience on the Judiciary Committee, we

have found that the voluntary organizations have been of very great help in connection with the Refugee Act. I have received from those organizations telegrams in regard to the amendment the distinguished Senator from Minnesota has offered; and I wish wholeheartedly to support his amendment.

Mr. HUMPHREY. I thank the distinguished Senator from North Dakota.

Mr. ELLENDER. Mr. President, will the Senator from Minnesota yield again to me?

Mr. HUMPHREY. I yield again to the distinguished chairman of the Committee on Agriculture and Forestry.

Mr. ELLENDER. I did not hear all of the statement made by my good friend from Minnesota.

Mr. HUMPHREY. I had not quite completed it.

Mr. ELLENDER. Can the Senator give us an estimate as to how much money out of this authorization, would be used for the purpose of paying ocean freight?

Mr. HUMPHREY. During the fiscal year 1955, to give an example, the voluntary agencies shipped abroad surplus food commodities valued at \$121,069,793, and were reimbursed for ocean freight to the extent of \$8,899,002, or an ocean freight cost of about 7½ percent. It is pretty difficult to estimate the amount for the coming year. It runs between 7 and 7½ percent of the cost.

Mr. ELLENDER. So if the entire \$500 million is used, the amount for ocean freight will be about \$35 million.

Mr. HUMPHREY. It could be as much as that. However, I seriously doubt if the entire amount will be used in this year.

Mr. President, I do not know whether or not there is any particular opposition to this amendment.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated February 22, 1956, which I have received from Albert W. Farmer, director of Christian Rural Overseas Program, Elkhart, Ind., and a letter which I have received from E. Raymond Wilson, of the Friends Committee on National Legislation, together with articles from the Washington Post and Times Herald of March 10, 1956, relating to the program of voluntary agencies and religious groups in the disposal and use of surplus commodities, in cooperation with the International Cooperation Administration.

There being no objection, the letters and articles were ordered to be printed in the RECORD, as follows:

CHRISTIAN RURAL OVERSEAS PROGRAM,
Elkhart, Ind., February 22, 1956.

HON. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

MY DEAR MR. HUMPHREY: Thanks to your help and guidance, to a very large degree, the administration at least made the grains available from surplus stocks to the voluntary agencies on last December 15. The annual staff conference of CROP, meeting at Elkhart early in February, took action instructing me to express the appreciation of all present to you for your past help and your continuing concern in this area.

I have been following with real interest your support and introduction of bills and resolutions dealing with the matter of a

planned economy of agricultural abundance. The way in which you keep all of this in a world context for the benefit of all peoples is highly encouraging. While political action is outside our field, we can sometimes help as individuals by interpreting and informing people in the 19 States in which we have programs.

Please accept our appreciation and highest regards.

Yours sincerely,

ALBERT W. FARMER.

FRIENDS COMMITTEE
ON NATIONAL LEGISLATION,
Washington, D. C., March 11, 1956.

I am writing in behalf of an amendment which will be called up this week to the farm bill to provide adequate funds for ocean freight for the enlarged amount of surplus foods over last year now being made available by the Department of Agriculture to be distributed to needy persons overseas. This distribution is now being carried on by 18 national organizations—Protestant, Catholic, Jewish, and by agencies like CARE—in 70 countries.

This Sunday in Protestant churches is being observed as "one great hour of sharing." Similarly in Catholic churches contributions are being received for the Catholic Bishops' Relief Fund. The United Jewish Appeal is underway among Jewish groups. These are for funds for person-to-person services to people in need abroad. To reinforce these efforts and to make possible the increased use of surpluses under all the advantages of personal supervision, the Government has been reimbursing the cost of ocean freight on surplus commodities. The proposed amendment would merely continue and expand this reimbursement to make it possible to move the additional supplies which should be available. What better use of American surpluses than feeding hungry people?

I am enclosing a reprint of three stories from the Washington Post and Times Herald of Saturday, March 10, and a brief explanation of the proposed amendment. I trust this proposal my receive your favorable consideration and support.

Sincerely yours,

E. RAYMOND WILSON.

[From the Washington Post and Times Herald of March 10, 1956]

HOLLISTER GETS BLAME FOR CUT IN GIFT GRAINS

(By Louis Cassels)

Church leaders said yesterday their share-out-surplus program has been trimmed by more than 50 percent as a result of an unpublished notice from Foreign Aid Chief John B. Hollister.

Hollister wrote Protestant, Catholic, and Jewish relief agencies that it was not possible for the International Cooperation Administration to provide more than \$3 million to cover ocean freight on surplus grain shipments abroad. The agencies had requested \$7.5 million.

The Reverend R. Norris Wilson, executive director of Church World Service, said about 300,000 tons of surplus American grain which they had hoped to distribute will remain piled up in Government warehouses as a result.

Agriculture Secretary Ezra T. Benson had announced on December 14 at a ceremony attended by religious leaders, that the Department would make available to relief agencies all of the surplus grains they could handle for distribution to needy families overseas. Congress had authorized Hollister's agency to pay for ocean freight on foreign relief shipments of surplus farm commodities.

The American Council of Volunteer Agencies, which represents all of the leading relief groups, said only 50,000 tons of

surplus grains have been shipped abroad since Benson's announcement. Officials estimate that a maximum of 200,000 tons can be shipped by June 30 with the money made available by Hollister.

[From the Washington Post and Times Herald of March 10, 1956]

CATHOLICS PLAN AID FOR NEEDY

Washington area Catholics will contribute to the annual collection for the Catholic Bishops Relief Fund at all masses this Sunday. The archdiocesan goal is \$100,000.

The Laetare Sunday collection will be used to bring food, clothing, medicines, and other necessities to millions of needy persons abroad, regardless of race or creed.

In a pastoral letter to the 220,000 Catholics under his spiritual jurisdiction, the Most Rev. Patrick A. O'Boyle, Archbishop of Washington, has asked a generous response.

The spiritual and material response of Catholics to this Sunday's collection, he emphasized, "means truly a new hope, a new joy, indeed a new life" to countless thousands of wretched men, women, and children in 40 countries overseas.

The appeal is being conducted by Catholic Relief Services-National Catholic Welfare Conference. The Right Rev. Msgr. Joseph F. Denges, pastor of St. Stephen's Catholic Church here, is director of the Bishops' Fund for the Archdiocese of Washington.

[From the Washington Post and Times Herald of March 10, 1956]

PROTESTANTS WILL "SHARE" WITH NEEDY

Protestant churches in the Washington area, observing "one great hour of sharing," will join with thousands of others Sunday in receiving special offerings for overseas relief.

For the eighth year, major Protestant denominations are working through Church World Service-National Council of Churches in seeking funds to carry on relief work among homeless and destitute persons around the world.

The national goal is \$11 million.

Mr. HUMPHREY. Mr. President, I do not know whether any Senator wishes to use time in opposition. If not, I am prepared to yield back the remainder of my time. If there is to be opposition, of course, I shall reserve what little time I have left.

The PRESIDING OFFICER. Is the chairman of the committee in opposition?

Mr. ELLENDER. Mr. President, there is no opposition.

The PRESIDING OFFICER. Does the minority leader yield back the remainder of his time?

Mr. HUMPHREY. Mr. President, I understand that the Senator from Vermont [Mr. AIKEN] has been consulted with respect to this amendment. It is my understanding that he has seen it.

Mr. AIKEN. Mr. President, as I understand, the amendment would increase the amount available for foreign relief from \$300 million to \$500 million.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. That is an authorization.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. It would not transfer to the Department of Agriculture functions which have been previously handled through the ICA?

Mr. HUMPHREY. That is correct. The Senator from Vermont brought that point to my attention earlier, and it has been cleared up in the modification of

the amendment which was sent to the desk.

Mr. AIKEN. The amendment would give the President permission, in the event of a disaster overseas, or in some other country, to spend more for ocean freight.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. But it is not mandatory.

Mr. HUMPHREY. It is not mandatory.

Mr. AIKEN. No specific amount is authorized.

Mr. HUMPHREY. The Senator is correct. I indicated, in reply to the chairman of the committee, that the cost of ocean freight had been approximately 7.3 percent. It runs between 6½ and 7½ percent.

Mr. AIKEN. With that understanding, I have no objection to the amendment. I merely wished to avoid transferring more functions to the Department of Agriculture.

Mr. ELLENDER. Mr. President, inasmuch as the amendment has been modified, I have no objection.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I wish to call up another amendment. It is the amendment which I sent to the desk last evening, in reference to the brucellosis and milk funds.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. KNOWLAND. Inasmuch as there will probably be some discussion with respect to this amendment, and in view of the fact that it is now 20 minutes past 2, and there is a unanimous-consent agreement that at 2:30 p. m. the senior Senator from Arkansas [Mr. McCLELLAN] will be recognized for half an hour, I suggest that if the Senator wishes to send his amendment to the desk, he may do so. Then we might have a quorum call, the time not to be charged to either side. By that time we shall be ready for the remarks of the Senator from Arkansas under the previous order.

Mr. HUMPHREY. Is it agreeable with the minority leader that I proceed with the amendment following the remarks of the Senator from Arkansas?

Mr. KNOWLAND. Yes.

Mr. HUMPHREY. Mr. President, I call up my amendment, and, having done so, I suggest the absence of a quorum.

Mr. O'MAHONEY. Mr. President, will the Senator withhold the suggestion?

The PRESIDING OFFICER. Does the Senator from Minnesota wish to have the amendment stated?

Mr. HUMPHREY. Yes; but I wish first to yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, in view of the fact that 5 minutes remain before 2:30, and that I have an amendment which I desire to offer on behalf of a group of Senators, including the

chairman of the Committee on Appropriations, an amendment which I understand has been agreed to by the Senator from Louisiana [Mr. ELLENDER] and the Senator from Vermont [Mr. AIKEN], and which, therefore, is a noncontroversial amendment, I wonder if I may not have unanimous consent to offer it and have it agreed to.

The purpose of the amendment—

The PRESIDING OFFICER. Does the Senator from Minnesota yield the floor?

Mr. HUMPHREY. I shall be glad to do so, if I do not lose my place following the Senator from Arkansas.

Mr. KNOWLAND. Mr. President, I should like to oblige the distinguished Senator from Wyoming, but I think perhaps there are other Senators to be satisfied besides the Senator from Louisiana and the Senator from Vermont in connection with the amendment which has been referred to. Because of the shortness of time, I think it would be better to have a quorum call. Then I am sure the Senator can bring up his amendment immediately following. I ask unanimous consent that there may be a quorum call, the time to be charged to neither side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SPECIAL COMMITTEE TO INVESTIGATE ATTEMPTS TO INFLUENCE, IMPROPERLY OR ILLEGALLY, THE SENATE, ETC.

Mr. McCLELLAN. Mr. President, Senate Resolution 219, passed on February 22, 1956, established a special committee of the Senate composed of 8 members, 4 each from the majority and minority Members of the Senate. This special committee is authorized and directed to investigate the subject of attempts to influence, improperly or illegally, the Senate or any Member thereof or any candidate therefor, or any officer or employee of the executive branch of the Government, through campaign contributions, political activities, lobbying, or any and all other activities or practices.

The resolution further provided that the members of the committee shall be appointed by the Vice President, who shall also call the first meeting of the committee, at which time the committee itself should select a chairman and a vice chairman.

Mr. President, as chairman of this special committee, I wish to make a brief report to the Senate on its organization and a few comments respecting its duties and responsibilities.

At the first meeting of the committee, on February 29, with the Vice President presiding, and before the selection of a chairman and a vice chairman had been made, questions arose regarding rules of procedure, both with respect to organization of the committee and its opera-

tions. The committee was unable to agree upon rules at that time, and the junior Senator from Tennessee [Mr. GORE] and the senior Senator from New Hampshire [Mr. BRIDGES] were requested to confer and undertake to formulate rules upon which they could agree, and submit same to the committee for its approval at the next meeting to be called by the Vice President.

Thereafter, on March 8, the junior Senator from Tennessee [Mr. GORE], in a speech to the Senate reported at some length and in some detail regarding conferences he and the senior Senator from New Hampshire [Mr. BRIDGES] had held in efforts to formulate rules of procedure for the committee's approval, which efforts had been unsuccessful. At that time other members of the special committee also expressed their views and discussed the matter on the floor of the Senate.

The junior Senator from Tennessee [Mr. GORE], who had been regarded as the prospective chairman of the committee, in the concluding paragraph of his prepared address, stated:

I have now reached the conclusion that the prospects of such an inquiry might be enhanced by the making of this report and by eliminating myself from consideration as prospective chairman of the special committee. I will be glad to continue to work with my colleagues as a member of the committee, subject to the will of the Senate.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. JOHNSON of Texas. The Senator from Arkansas is making an extremely important speech. I know the Senator's modesty, and I realize that he would prefer to continue his speech regardless of how many Senators were on the floor. However, it is the opinion of the majority leader that we should have a quorum call and ask the attendance of Senators. We had one quorum call, but it was lifted. It would not take very long to have a quorum call. The majority leader requests the Senator from Arkansas permit the Senator from Texas to suggest the absence of a quorum, and in that way notify all absent Senators. I hope the Senator will permit me to do that.

Mr. McCLELLAN. Will that mean that I shall have to start all over again with my speech?

Mr. JOHNSON of Texas. No; the Senator may resume his speech wherever he chooses. I should like to have the Senator's speech heard by as many Senators as possible.

Mr. President, I ask unanimous consent that the Senator from Arkansas may yield to me for the purpose of suggesting the absence of a quorum, without the time being charged to his allotted time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Monroney
Allott	Goldwater	Morse
Anderson	Gore	Mundt
Barkley	Green	Murray
Barrett	Hayden	Neely
Beall	Hennings	Neuberger
Bender	Hickenlooper	O'Mahoney
Bennett	Hill	Pastore
Bible	Holland	Payne
Bricker	Hruska	Potter
Bush	Humphrey	Purtell
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Jenner	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Case, N. J.	Johnston, S. C.	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Langer	Stennis
Dirksen	Lehman	Symington
Douglas	Long	Thurmond
Duff	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Welker
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	Young
Frear	McClellan	
Fulbright	McNamara	

The PRESIDENT pro tempore. A quorum is present. The Chair recognizes the senior Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I shall resume my remarks where I left off when the quorum call began. I had quoted from the remarks of the junior Senator from Tennessee [Mr. GORE] on March 8.

Subsequently the Vice President called a meeting of the committee for 11 a. m. on March 10. Thereupon it was tentatively suggested that the senior Senator from Arkansas [Mr. McCLELLAN] should be elected chairman and the senior Senator from New Hampshire [Mr. BRIDGES] should be elected vice chairman, provided they could formulate rules of procedure upon which they could agree, subject to the approval of the committee. The meeting then was recessed until 3 o'clock in the afternoon. When the committee reconvened, the Senator from New Hampshire and the Senator from Arkansas submitted for the committee's consideration a set of rules on which they had agreed.

Those rules, after some modifications by the committee, were then agreed to and unanimously adopted. Following their adoption, the Senator from Arkansas and the Senator from New Hampshire were unanimously elected chairman and vice chairman, respectively.

Mr. President, in view of the initial difficulty in agreeing to rules, which delayed organization of the committee, apprehensions arose and fears were expressed regarding the ability of this special committee, as it is now composed, to function and carry out its mission. The action of the committee in agreeing to and unanimously adopting a set of rules to govern its operations should, in my opinion, serve to allay any fears or apprehensions which the initial disagreement and delay may have engendered.

Because I think it appropriate, I ask unanimous consent, Mr. President, that the rules adopted by the special committee be printed in the body of the CONGRESSIONAL RECORD, for the information of the Senate, immediately following my remarks.

There being no objection, the rules were ordered to be printed in the RECORD.

(See exhibit A.)

Mr. McCLELLAN. Mr. President, it may be factually stated that the rules adopted by the committee are the result of compromise, but a compromise that is fair and warranted, in my opinion.

The rules differ in 1 or 2 important respects from the rules of the Senate governing regular standing committees. But this is a special and not a regular standing committee of the Senate. The very nature of its composition—four members from each political party—clearly evidences the intent of the Senate that it was to function and operate in an atmosphere of bipartisanship with neither party as such dominating it nor having the primary responsibility for its success or the basic blame for its failure.

This committee is not a partisan group. It is a bipartisan committee. Therefore, no greater responsibility rests upon one political party than upon the other for its inception, creation, composition, and for its actions as it functions and undertakes the task assigned to it. As chairman, it is my view that responsibility for the success of its labors rests equally upon each political party and upon each individual member of the committee, irrespective of party.

I believe these rules are peculiarly adaptable to a committee so composed and empowered as is this special committee. We shall do our best to make them serve the committee's needs and purpose.

Mr. President, if I may be pardoned for a personal reference, I should like to make crystal clear for the record the circumstances and considerations attending my membership on the committee and my election and acceptance of the heavy responsibilities which the chairmanship entails.

I supported the adoption of Senate Resolution 219 because I believed it provided the right approach to the character of investigation, the subject matter, and study that the resolution authorized and directed to be made. I am of that opinion now. When I voted for the resolution, however, I did not do so in any expectation that I would be a member of the special committee.

When I was first approached by the Democratic leadership and asked to become a member, I respectfully and sincerely declined. When finally I was prevailed upon to accept, I did so with a firm understanding that I would be unable, because of my other duties and committee responsibilities, to serve as chairman. I was assured I would not be called on to fill that position.

However, after the junior Senator from Tennessee [Mr. GORE] eliminated

mended on its handling of these matters, and on the selection of the membership of the committee. I also feel that the membership of the committee should be commended for their sense of responsibility in accepting service when called upon.

Finally, I have noted with interest that the rules of procedure which we hear the special committee has adopted unanimously follow the principles expressed in the several resolutions which the Senator from Arizona [Mr. GOLDWATER] has so explicitly and carefully set forth. That of itself is evidence of the good faith of the committee—their following the considered judgment of those who, in other days, have made recommendations for changes in the procedure of committees, particularly with regard to the handling of subpoenas and the calling of witnesses.

Mr. President, that is all I wished to say at this time.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I am happy to yield.

Mr. JOHNSON of Texas. Mr. President, I should like to express my deep appreciation to my good friend from South Dakota for his fair and very generous statement concerning the leadership on both sides of the aisle.

While I am on my feet, I should like to express my gratitude to the chairman of the special committee and to the members of that committee for their willingness to undertake this unpleasant task.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute.

I join with the majority leader in expressing my appreciation of the remarks of the Senator from South Dakota [Mr. CASE] and also for the very able presentations made by the Senator from Arkansas [Mr. McCLELLAN] and the Senator from Arizona [Mr. GOLDWATER].

Certainly I can join in the assurances which have been given that there were no volunteers for appointment to the special committee. It was a matter of the leadership having to draft and to ask busy men, all of whom are carrying heavy and burdensome obligations as Senators, to serve on the committee. No man who is not serving as a Senator—with the grave problems, domestic and international, which daily come to the desk of each Senator—can appreciate how onerous those responsibilities are. Nevertheless, when the leadership on both sides of the aisle went to the eight Senators finally chosen, not as representatives of parties, but as representatives of the Senate as an institution, they all agreed to serve and to take on these extra obligations.

Before I conclude my remarks, I wish to express a particular note of appreciation, not only to all eight members of the special committee, but to the chairman of the committee, the Senator from Arkansas [Mr. McCLELLAN], who is well and favorably known on both sides of the aisle in the Senate as a man of great ability, sterling integrity and high courage. I am sure he and his associates will carry out their responsibilities without fear or favor, and will submit

recommendations which I hope will be helpful to the Senate and to the Nation.

Mr. JOHNSON of Texas. Mr. President, I would not wish to repeat all that I said yesterday about the distinguished chairman of the select committee, but I should like to associate myself with everything the minority leader has said regarding the members of the committee and to read again into the RECORD a statement I made yesterday:

By his conduct, by his dignity, and by his devotion to the rules of fair play, JOHN McCLELLAN has reflected great credit upon the Senate. I am proud to serve with him and to work with him.

I thank the Senator from California. Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I have listened with careful attention to the remarks of the Senator from Arkansas. I rise to say that having served with the Senator on the Committee on Government Operations for approximately 7 years, with a little lapse of time when I had to leave that committee for a few months because of another committee assignment, I have the greatest respect for the Senator from Arkansas and the utmost confidence in his ability, his integrity, and, above all, in his fairness.

It is no secret in this Chamber that from time to time the Senator from Arkansas and the Junior Senator from Minnesota have disagreed on substantive issues of legislation. Nor is it any secret that in the committee upon which I am proud to serve under his chairmanship we have disagreed. It should be no secret that at all times the Senator has been so considerate and so fair that he has been above reproach. I say this as one who has filed a certain number of minority reports, but at all times with his cooperation.

Mr. President, I know the Senator from Arkansas takes on a very difficult, time-consuming, exhausting, and, as he has well put it, unglamorous responsibility. But the work will be done well—make no mistake about that. It will be done fairly, thoroughly, and in a judicious and honorable manner.

I am delighted that the Senator from Arkansas has been willing to undertake this assignment. I have conveyed to him personally my good wishes and my thanks and appreciation for his undertaking this job, because it needs to be done, and done thoroughly and well. Under the chairmanship of the Senator from Arkansas, and with the distinguished members of the committee, it will be given the fullest and the best consideration and treatment.

I wish to express again my personal commendation to the Senator, for whatever it may be worth, and, above all, my faith and trust in him.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. President, I should like to join with the Senator from Minnesota and the distinguished majority leader and minority leader in the remarks they have just made relative to our colleague, the senior Senator from

Arkansas [Mr. McCLELLAN]. I have every confidence that the conduct of the committee will be, as my colleagues have already stated, based on integrity, honesty, and fairness. Knowing the distinguished senior Senator from Arkansas as well and as favorably as I do, I am sure that the result of the committee's work will be a credit to the Senate of the United States.

Mr. McCLELLAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 5 minutes.

Mr. McCLELLAN. Mr. President, I yield to the Senator from New Mexico [Mr. ANDERSON] such time as he may desire.

Mr. ANDERSON. Mr. President, I had desired merely to express my appreciation to the Senator from Arkansas for the fine statement he made on the floor today. I talked to him when both of us were under consideration for membership on the committee, and the Senator from Arkansas told me he did not believe he would ever accept the appointment.

Among other things, he said that under no circumstances would he be chairman of the committee. I know that was a sincere expression of his feeling. I know he accepted the chairmanship only out of a fine sense of duty to the Senate of the United States, for which every member of the committee thanks him, and, I trust, every Member of the Senate thanks him.

Mr. McCLELLAN. Mr. President, I merely wish to express my thanks to my colleagues who have so generously manifested their confidence in me and my purpose, at least, to do this job as effectively and as constructively and at all times as fairly as it is within my power and capacity to do it.

I am grateful to all the Senators who have spoken so complimentary of me. I leave this thought with the Senate, that the committee is going to need the help of every Senator as it proceeds with its task.

Mr. President, I yield back the balance of my time.

Mr. KNOWLAND. Mr. President, I yield back the balance of my time.

ORDER FOR RECESS TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AGRICULTURE ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. HUMPHREY] has the floor.

Mr. O'MAHONEY. Mr. President, in the absence of the Senator from Minnesota, may I be permitted to say that

before he was called off the floor and before the recent interruption, he had stated that he would yield to me to call up an amendment which I believe to be noncontroversial. I had submitted the amendment to the chairman of the Committee on Agriculture and Forestry who, I think, consulted the Senator from Vermont [Mr. Aiken]. I handed a copy of the amendment to the majority leader and the minority leader. I do not think there is any possible ground of disagreement to this amendment.

Mr. KNOWLAND. Mr. President, if the Senator from Wyoming will yield, without losing his right to the floor, I have several requests of Senators who wanted a quorum call when we finished the discussion of the matter of the special committee.

Without the time being charged to either side, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The PRESIDENT pro tempore. Under a previous order, the junior Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I call up my amendment designated "3-13-56-D" and ask that it be stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Minnesota will be stated.

The CHIEF CLERK. On page 4, between lines 13 and 14, it is proposed to insert the following:

MILK AND BRUCELLOSIS PROGRAMS

SEC. 106. (a) The last sentence of section 201 (c) of the Agricultural Act of 1949, as amended, is amended to read as follows: "For the period beginning September 1, 1954, and ending June 30, 1955, not to exceed \$50 million, and for the fiscal year ending June 30, 1956, not to exceed \$60 million, and for each of the 2 fiscal years in the period beginning July 1, 1956, and ending June 30, 1958, not to exceed \$75 million, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in (1) nonprofit schools of high-school grade and under; and (2) such nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions as are devoted to the care and training of underprivileged children on a public welfare or charitable basis."

(b) Section 204 (e) of the Agricultural Act of 1954 is amended to read as follows: "As a means of stabilizing the dairy industry and further suppressing and eradicating brucellosis in cattle, the Secretary is authorized to transfer not to exceed \$17 million for fiscal year ending June 30, 1956, and \$20 million for each of the fiscal years 1957 and 1958, from funds available to the Commodity Credit Corporation to the appropriation item 'Plant and Animal Disease and Pest Control' in the Department of Agriculture Appropriation Act for such fiscal year for the purpose of accelerating the brucellosis eradication program, for the purpose of increasing to not to exceed \$50 per head of cattle the amount of the indemnities paid by the Federal Government for cattle destroyed because of brucellosis in connection with cooperative control and eradication programs for such disease in

cattle entered into by the Secretary under the authority of the act of May 29, 1884, as amended, for the purpose of increasing the number of such indemnities, and for the purpose of defraying any additional administrative expenses in connection therewith. There are hereby authorized to be appropriated such sums as may be necessary to reimburse the Commodity Credit Corporation for expenditures pursuant to this section."

(c) The first sentence of subsection (a) and the first sentence of subsection (b) of section 202 of the Agricultural Act of 1949, as amended, are amended by striking out "1956" and inserting in lieu thereof "1958."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I yield myself 5 minutes.

This amendment to S. 3183 is the language of a bill relating to the brucellosis control program and the special milk fund, which was once passed by the Senate. I believe the bill was reported unanimously by the Committee on Agriculture and Forestry and later passed the Senate unanimously. However, there has not been agreement between the two Houses upon the particular language contained in the bill.

The House, apparently, desires to have a temporary extension of the milk fund and the brucellosis program. The amendment I have offered would authorize, for a 2-year period, the brucellosis control program and the milk fund. My only objective is to speed action on the urgently needed temporary extension to which the House is willing to agree now, and still preserve for future conference the longer extension the Senate has already approved.

The language of the amendment is self-explanatory. It is designed to increase the consumption of fluid milk by children in nonprofit schools of high-school grade and under; and such nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions as are devoted to the care and training of underprivileged children on a public welfare or charitable basis.

So far as the brucellosis feature of the amendment is concerned, it is a program to which Congress has been dedicated for many years. Substantial progress has been made in the brucellosis eradication program. This work means much to the States which are cooperating under the program.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Did not this proposal, presented as a separate bill, receive the unanimous support of the Committee on Agriculture and Forestry?

Mr. HUMPHREY. It did.

Mr. ANDERSON. Did not that committee report the bill to the Senate by a unanimous vote of its members?

Mr. HUMPHREY. It did.

Mr. ANDERSON. As I understand, the Senator is merely offering the amendment to the bill now under consideration so that the proposal will be considered by the committee of conference.

Mr. HUMPHREY. I want to be certain that this particular proposal is not lost in the House because of the inability

of the two Houses to agree upon a separate bill, or because the Senate failed to include it in the pending bill. In other words, I am trying to cover all possible areas of difficulty, to make certain that the special milk fund and the brucellosis control program are made matters of public law.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes; I yield to my colleague.

Mr. THYE. As I understand, my colleague is speaking about a bill which has heretofore passed the Senate.

Mr. HUMPHREY. That is correct.

Mr. THYE. That bill related to the brucellosis-control program and the special school-milk program.

Mr. HUMPHREY. It is the bill which my colleague reported to the Senate on behalf of the Committee on Agriculture and Forestry.

Mr. THYE. It is unfortunate that the bill has not yet been cleared for the President. The reason why it is so unfortunate is that some school districts are now running short of funds. Funds should promptly be made available to them; otherwise, the benefits of the program will not be realized fully. It is a good program. It should go forward, and it should not be hampered by inadequate funds.

The same situation exists with respect to the eradication of brucellosis. If a point should be reached where no funds are available, the brucellosis-eradication program would be retarded. Veterinarians and other specialists employed in the operations of the program, such as in the testing of cattle to determine whether they had the disease or not, would have to be discharged.

The delay which is being experienced will place these programs in jeopardy. For that reason, I am disappointed that the House has not taken action by meeting with the conferees named by the Senate in an attempt to resolve the differences between the two Houses and to reach a final agreement so that the bill can be cleared for the President.

There is no basic controversy involved so far as I know. It is possible that political strategy is involved by which the House is endeavoring to hold up agreement in order to have something to negotiate with when the Senate conferees meet with the House conferees on the farm bill. I think that is unfortunate. I am speaking frankly. The House had better take a look at the situation, and recognize that delay in the enactment of this bill will result in jeopardizing these programs. For that reason I am speaking frankly, because the House conferees must realize the results of delay.

Mr. ELLENDER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Louisiana.

Mr. ELLENDER. It is very unfortunate that some Members of the House should take the position which they have taken. As the Senator from Minnesota stated a while ago, the Senate did pass a bill several weeks ago providing for an additional \$2 million for the brucellosis program, and \$10 million for the school-

lunch program for this fiscal year. In addition, the Senate provided authorizations for 2 more years for both projects.

If the pending amendment should be adopted, it is my belief that the Senate conferees could meet in conference with those from the House on the bills which both Houses have already passed and in just a few minutes the Senate could recede from its amendment and thereby make it possible to obtain \$2 million for the brucellosis program and \$10 million for the school-lunch program for the rest of this fiscal year. That can be done without in any manner interfering with the future 2-year program which is contemplated in the amendment being offered by the Senator from Minnesota.

Mr. HUMPHREY. I may say that the House has before it both a temporary bill, which has been passed by the Senate, and a long-time, or 2-year proposal, and the Senate has a 2-year proposal.

Mr. ELLENDER. That is correct.

Mr. HUMPHREY. What the House wants to do is to agree upon a temporary proposal.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I yield myself an additional 5 minutes.

Mr. ELLENDER. There would not be any disagreement between the Senate and the House with respect to a continuation of the program up to June 30, because the House is willing to provide the \$2 million for brucellosis control as well as the \$10 million for the school milk program. The Senate conferees will not encounter a bit of trouble if we are in a position to accept the House bill providing a brucellosis and school-milk program for the balance of this year while receding from our amendment to the House bill authorizing a 2-year program.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. THYE. If the House would have its conferees meet with the Senate conferees and resolve the differences, in a matter of only a few hours agreement could probably be reached and the bill could be sent to the President shortly thereafter. If the farm bill is amended by the adoption of the pending amendment, the Senate must still pass the bill and it must go to conference with the House. There is much in the pending bill to which the House will want to give consideration and on which it will want to deliberate. It may be several weeks before the House and the Senate can agree upon what should be contained in this bill, S. 3183.

In short, delay would be most injurious to the school-milk program, and would most certainly be disastrous to continued progress of the brucellosis eradication program.

I want to be sure that I understand the legislative procedure suggested. I was forced to leave the floor to take a long-distance telephone call when the question was first discussed. If it is the intention to amend the farm bill with the text of a bill the Senate has already

passed, and which is presently before a conference committee, then I think this approach would be the wrong one.

Mr. ELLENDER. I may state to my good friend from Minnesota that if the amendment were adopted, there is no question in my mind but that a conference could be held tomorrow or the next day on H. R. 8320, and that the Senate could recede from its amendments to that bill—that is, from the 2-year program the Senate has already voted—and that the House would agree with the Senate to provide the money to carry out the program for the remainder of this year. In my humble judgment, that is the only way by which it will be possible to get the funds with which to continue through June 30 of this year the brucellosis and school-milk programs. I have talked to several Members of the House. They seem to be adamant in their position not to extend this program for 2 years unless that extension is put in the pending bill. That means that the legislation which is now in conference is not agreed upon immediately, we shall not be able to obtain sufficient money—\$2 million for the brucellosis program and \$10 million for the school-lunch program to carry them through the remainder of the year. I am sure the Senator does not want to permit those programs to die.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. THYE. I am in the unfortunate position of having come to the Senate floor when the present debate was well underway. I was not present at the time of the offering of the amendment. Therefore, possibly I do not have a complete understanding of what my colleague has proposed in his amendment. If I am in error, I should like to be corrected.

The situation is that the Senate has passed a bill which is now in conference, and the House conferees have not agreed to a conference meeting on it. I understand the Senate is willing to confer, but the House conferees have refused to sit down with the Senate conferees. If that is the status of the bill, then I do not see why we should approach the problem by putting the provision in the pending bill. I do not know what would be accomplished.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ELLENDER. Let me say to my friend from Minnesota that if this amendment is adopted, it will mean the Senate conferees can go into conference with the House on the school milk and brucellosis bill. We can agree to strike from that bill the 2-year extension of these programs; we could obtain sufficient money to operate the existing programs through June 30. We would lose nothing, because the 2-year extension of the milk and brucellosis programs—which would be deleted from the legislation already approved by the Senate—would still remain in the pending bill. I am confident that by following such a course there will be no objection on the

part of the House to providing \$2 million for the brucellosis program and \$10 million for the school-lunch program, in order that those programs may be continued this year. When the bill which the Senate is presently considering is passed, we can then take up the programs for the 2 years after June 30. In my humble judgment, it is the only way in which we shall be able to get the money necessary to complete this year's program, if what I have been told is true.

Mr. THYE. Will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. THYE. If the objective is to take care of the remainder of this fiscal year, I would be perfectly willing to go along with the proposal. Of course, the 2-year provision could be considered later.

Mr. ELLENDER. That is the purpose of the pending amendment.

Mr. THYE. The question is, however, Are the House conferees willing to agree on the proposed funds to carry out the programs through the end of the present fiscal year, June 30?

Mr. ELLENDER. I have the assurance that there will be no objection on reaching agreement on the bill now in conference, so as to make funds available to complete the programs for this year, provided the long-range program is included in the general farm bill.

Mr. THYE. Then, the amendment offered by my colleague proposes to provide in the bill sufficient funds to finance both the brucellosis and the school-milk programs for the remainder of this fiscal year, which would be from now until June 30. Is that correct?

Mr. ELLENDER. It would continue those programs on an expanded basis for 2 more years. In other words, what we are doing is taking two shots at this question. The Senate has already passed a bill providing for a 2-year extension of the milk and brucellosis program. That particular provision would be deleted in conference, but since it will also be contained in the pending bill, we would end up losing nothing. We would merely save these programs for the remainder of the fiscal year.

Mr. THYE. Yes.

Mr. ELLENDER. So, Mr. President, when the pending bill goes to conference, if in the meantime we are able to get the House of Representatives to approve the \$2 million for brucellosis and the \$10 million for the school-milk program, to continue them through June 30, we shall be able to strike that provision from the pending bill and still have the 2-year extension proviso.

Mr. THYE. That seems to be going the long way around to achieve the desired result.

Mr. ELLENDER. I agree with the Senator from Minnesota, but it appears to be about the only way we can get the job done.

Mr. THYE. A great deal of hard work is necessary to accomplish what the House conferees could accomplish tomorrow morning if they would only sit down with the Senate conferees and resolve the differences between the two bills which both Houses already have

passed. In other words, it would seem as if we were going 100 miles around the point to accomplish what is desired.

Mr. ELLENDER. I agree with the Senator from Minnesota, but since the money is needed by April 1, if the brucellosis and school milk programs are to continue, it seems to me that what we propose is the shortest route by which to reach our goal.

Mr. HUMPHREY. Mr. President, I wish to say that the procedure suggested is not at all unusual.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Minnesota yield to the Senator from New Mexico?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Last year, did not we pass a wool bill and send it to the House of Representatives? The House did not act on it; and later, when we had the Agricultural Act of 1954 before us, I proposed, as I recall, that the same provision be included in it as an amendment, since the House had not theretofore acted on the wool bill. In that way we carried that matter to the House of Representatives, did we not?

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. I think the purpose of the amendment is good. Why not achieve something in connection with this program? I understand the Senator from Minnesota favors the brucellosis amendment.

Mr. HUMPHREY. Furthermore, Mr. President, it is not a question of having happen just what we would like to have happen. If that were the case, I would be smiling a good deal more of the time than I have been, because many of the provisions which I favor including in the bill have been stricken from it.

The amendment relates to the extension of the program to eradicate brucellosis. The Senate has already passed a bill for that purpose, and the House has already passed the bill. Furthermore, the bill as passed by the House makes an extension for the remainder of the fiscal year.

Mr. ANDERSON. That is correct.

Mr. HUMPHREY. I have been told—and the chairman of the committee has reaffirmed it—that the House has agreed to provide the funds needed for the program to eradicate brucellosis, and also the funds needed for the program to provide school milk for the remainder of this year. But the House has said, in effect, "If you want an extension for 2 years, you must provide for it in the agricultural bill." I am sorry the House of Representatives is so stubborn, but that is the way it seems to be.

Inasmuch as Wisconsin, Minnesota, and other States will have exhausted the funds available for this work, I think we should proceed in the way proposed by the amendment.

Of course, if the House passes a bill providing for such an extension, and if we have already made such a provision in the bill now before us, then both Houses will have agreed about it—and that may be one of the few things to which both Houses agree readily.

So I cannot see that we shall lose anything by adopting this amendment. Of course, if we wished to be stubborn, we could say to the House, "We have passed a bill on this subject, and we shall rest there." In that event, we might not achieve the result we desire; and then the children of the country would be the victims. I see no other way for us to achieve success in this field.

It seems to me that anyone who believes that this amendment, if adopted, will result in stymieing the program, is laboring under a misapprehension. I have been told that the funds for the milk program are running out, and that some action must be taken immediately.

Of course the Senate cannot dictate to the House; neither can the House of Representatives dictate to the Senate. Time after time we have found that the way to end such a logjam as this is to proceed in the way now suggested. By this means we can have the program for eradicating brucellosis proceed. Even though the bill passed by the House of Representatives may become the law, I see no harm in including this provision in the pending agricultural bill, as well as in the separate bill. We cannot lose if we cover both fronts. In that event, we shall have handled the matter both by means of the House bill which was passed by the Senate several weeks ago—House bill 8320—and by means of this amendment to the agricultural bill. In that way we shall have handled the matter adequately, and shall have covered every eventuality, and shall have answered any complaints which might be made.

Mr. President, unless some other Senator wishes to discuss the amendment, I shall yield the floor, but shall wait to see whether there is further comment on the amendment, before I yield back the remainder of the time available to me.

Mr. SALTONSTALL. Mr. President, I yield 10 minutes in opposition to the amendment, to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 10 minutes.

Mr. AIKEN. Mr. President, if the Senate has lost all interest in the care and welfare of the schoolchildren the Senate will adopt the amendment submitted by the Senator from Minnesota [Mr. HUMPHREY].

Mr. President, what are the facts? On February 8, the Senate passed a bill providing funds not only with which to carry on the school-milk program for the remainder of this fiscal year, but also to carry on the brucellosis eradication program for the remainder of the year. Then the bill substantially increases the funds for carrying on both programs for the next 2 years. In the Senate there was not a vote against the bill.

The bill was passed in slightly different form by the House of Representatives; and a conference was requested. The conferees have been appointed since February 21—23 days ago. The House rules require conferees to report within 20 days. So far, the chairman of the House conferees has neither permitted a conference with the Senate conferees,

nor, apparently, is he willing to report anything on the subject to the House of Representatives itself.

As I understand, an arrangement was made with the Senator from Louisiana [Mr. ELLENDER] for a conference. I understand that a few days ago on the floor of the House the Senator from Louisiana was criticized by inference, and the House was given to understand that he was the one who did not want to have the conference held. Mr. President, I do not believe that, because I know the Senator from Louisiana did want a conference held. But we were advised that the House conferees could not confer with us that day because they had an important meeting with Mr. Patton, of the Farmers Union, and Mr. Newsom, of the Grange. So the House conferees put off the meeting with the Senate conferees. I further understand that it was impossible to find a date which was acceptable to them for a meeting with the Senate conferees.

I know the chairman of the Senate Committee on Agriculture and Forestry, one of the Senate conferees, would have been glad to meet with them. I was advised by a member of our staff that if we would agree to the House proposals—in other words, if we would agree to throw out the 2-year program for the control of brucellosis and the furnishing of school milk—the House conferees would send one of their members to us, to agree for all the other House conferees. This offer was, of course, rejected and we have not yet had a conference.

But now we are asked to include in the pending bill the text of that bill, which was unanimously passed by the Senate, and which I am sure would pass the House of Representatives if the Members of the House of Representatives had a chance to vote on it. If the chairman of the House conferees would permit the House to have an opportunity to vote on the bill, the House would accept the Senate amendments, I am sure, because the Members of the House do not wish to deprive the school children of the milk, and do not wish to stop the program which is aimed at stamping out the dread disease of brucellosis.

Mr. President, in case any Senator does not know what brucellosis is, let me say that in a human being it is undulant fever. Anyone who has ever seen the suffering, both mental and physical, on the part of persons who have contracted undulant fever, could not fail to favor the program to eradicate that disease. Yet the House conferees would throw out of H. R. 8320 the proposal of the Senate to extend the program for the eradication of this terrible disease for another 2 years.

Already, Mr. President, many States of the Union prohibit the sale within their borders of any milk except milk from brucellosis-free herds.

It is said, "Let us extend the program for 2 or 3 months more. Throw out the 2-year extension of the program. Throw that into the political maelstrom, so that it can be used as a political blackjack."

We have heard rumors to the effect that the only basis upon which some

Members intend to approve the continuation of the school-lunch program and the brucellosis program is that it be tied to a 90 percent support program, or a multiple price wheat program. The dearest hope of some people is that Congress will send to President Eisenhower a bill which he will have to veto. Why do we allow these programs to become political footballs? It is bringing politics down to about the lower levels when we involve our school milk program, and the health of our children and adults as well.

I repeat that if the Senate is really concerned with milk for the school children of the country, or the eradication of brucellosis, it will not yield to those who insist that we can have those programs only if we consent to throw them into the political pot where they may be combined with other provisions which President Eisenhower cannot and will not accept.

Mr. President, I ask for the yeas and nays on the pending amendment, in order that every Senator may be counted, on the question whether he wishes to put the health of our school children and people into the political maelstrom, or whether we ought to stand squarely on our feet and let the House, if it wishes to do so, permit its conferees to get away with this kind of thing.

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, I do not know whether my time has expired.

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. HUMPHREY. Mr. President, I am not sure which rule in the rule book should have been applied a moment ago, but because I have respect for my colleagues I did not call for its application.

I have never heard such talk on the floor of the Senate. We talk about politics. The politics lies in being stubborn. If we want milk for our schoolchildren, this amendment is the way to get it. If any politics lies behind the fact that the House conferees will not meet with the Senate conferees, as has been charged, it helps none for we Senators to say, "If you do not meet with us, we will not meet with you, and we will not have any milk program."

That is what it really boils down to. What is the amendment which is proposed? I offered the amendment in good faith. I consulted the Senator from New Mexico [Mr. ANDERSON]. I consulted the Senator from Louisiana [Mr. ELLENDER]. In fact, the Senator from Louisiana, the chairman of our committee, talked with me about the amendment, and stated that he felt that it ought to be in the bill. I said that I would be more than happy to offer the amendment, to make certain that milk would be provided for our schoolchildren.

I resent the comments which have been made on this floor. This is not an unusual performance. The price-support controversy is not involved. There has been no indication about 90 percent of parity or 60 percent of parity in this amendment. There has been no thought of such a thing.

This amendment does not subtract anything from the legislation we have

already passed. The farm bill is still before us. The Senate has passed House bill 8320, with an amendment. This amendment would not weaken that measure. It is still in the status of a bill which has been passed. However, the House refuses to accept the Senate amendment. Can it be said that we are playing politics when we stand on the basis of a bill which has been passed, with respect to which no one will agree? I should like to see something done. That is the only reason why this amendment is offered.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. YOUNG. The junior Senator from North Dakota was chairman of the Subcommittee on Agricultural Appropriations when this administration took over in 1952. The subcommittee tried to get the Secretary of Agriculture, Mr. Benson, to embark upon the present brucellosis campaign. It required a year or more to persuade him to embark upon it. Now it seems that there may be a little gap in the program. The fact that there might be a gap is supposed to be a terrible thing. I always thought this was a good program, but I cannot see why all the fuss.

Our committee had a difficult time in persuading the Secretary of Agriculture to proceed with this program. In fact, we failed at first to convince the Secretary of Agriculture that he should embark upon the brucellosis program.

I do not share the feeling of my friend from Vermont [Mr. AIKEN] with respect to the House. The Members of that body were all elected by the people of the United States only 2 years ago. Some of us have served in this body for nearly 6 years, since being elected. The House is an independent body. We have no more right to try to tell the House what to do than the House has to tell the Senate how it should operate.

I do not believe that a few Members of the Senate have a right to say that we shall have this kind of bill or there will not be any at all. I was elected by the people of North Dakota to represent them, together with my colleague, in farm matters, as well as other things. I intend to do what I think is right, regardless of threats, and write the best possible agricultural bill. Whether or not the President vetoes it. That is his business. I think he will do the fair thing.

Mr. HUMPHREY. I thank the Senator.

Mr. President, for the first time in my life I have felt unfair treatment in this body for an honorable purpose.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. I saw the junior Senator from North Dakota working on the brucellosis program. If there ever was a time when he failed to work for it, I do not know when it was. He is an enthusiastic supporter of the program. We all follow his leadership in that direction.

I myself do not possess a dairy animal. Formerly I owned a great many. I had

many of them slaughtered because of brucellosis. It is a very serious disease.

Apparently the discussion was partly aimed at me, as though I were playing politics in connection with this bill. I do not think I played politics in connection with the pending bill.

We took up the wool bill, an administration proposal, and passed it in July of 1954. At that time there was pending a grazing measure. The Senate Committee on Agriculture and Forestry was kind enough to add the grazing measure to the proposed Agricultural Act of 1954, because it was not possible to get it through the Congress otherwise. It was taken to conference, and in conference it was decided to accept only the wool bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not on my time.

Mr. AIKEN. Let me take a minute of my time to advise the Senator from New Mexico that the wool bill, like the school-milk bill, had not passed both Houses of Congress and been sent to conference at the time it was attached to the agriculture bill.

Mr. ANDERSON. I do not know the details as to what happened. I say only that we did the same thing then that we are proposing to do now. We attached a certain measure to an agricultural bill.

We have reached the point where we have difficulty with the other House. My remarks are directed only to the point that if a bill is a good bill, and is unanimously approved by the committee, I cannot see what is wrong with it. There are so few things on which the committee is unanimous.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HUMPHREY. As I understand, this amendment would not prevent the other bill from going to conference. This amendment would merely assure that there would be a 2-year extension. House bill 12, which was passed by the House long before Senate bill 3183 came to this Chamber, includes a 2-year extension for the milk program and the brucellosis program. The House has wanted a milk program and a brucellosis program.

As the Senator from North Dakota [Mr. Young] pointed out, all this amendment does is to assure the Senate that there will be agreement upon a temporary extension of the milk and brucellosis programs for the remainder of this fiscal year. There is no disagreement between the two Houses on the question of a 2-year extension. Let the RECORD be clear. The House has already voted a 2-year extension. The Senate has voted a 2-year extension. What we have not agreed upon is a temporary extension from now until June 30.

When I hear it said that we propose to crawl on our knees to the House, I reply that we propose to use our heads, not our knees; to use our minds, not our arches, and agree upon a basic program for the extension of the brucellosis-control program and the milk program.

Mr. THYE. Mr. President, in order to have the record crystal clear, I still say that the House could well have acted and that we could have had the bill passed

and at the White House for the President's signature several weeks ago.

Mr. HUMPHREY. It should have been done.

Mr. THYE. There is only one question involved between the Senate and the House, and that is the provision in the bill of which my colleague was the author.

Mr. HUMPHREY. That is correct. That is the 2-year extension.

Mr. THYE. That is correct. There is a slight difference between the two bills. In order that the record may be crystal clear, it should be stated that what we are confronted with is that if the apparent feud between the two legislative bodies continues, the schoolchildren will not have school milk.

Mr. HUMPHREY. That is correct.

Mr. THYE. And the brucellosis program will come to a standstill, and the veterinarians will be discharged. The veterinarians will have to be rerecruited when the funds are made available. I do not intend to be a party to any such continuing feud. If an amendment can be adopted which will be acceptable to the House, and in that way we can break the stalemate and get some action, and make the funds available, I shall support such an amendment. Therefore, I shall support the amendment which has been offered, because it is the only way we can bring the feud to an end. Apparently it is because of the feud between the two legislative bodies that the conferees will not even sit down to confer.

Mr. HUMPHREY. Mr. President, I should like to say that no Senator has a greater interest in the bill than the senior Senator from Minnesota. He reported it from the committee. I am very much upset by the way this matter has been handled. My only purpose in speaking was to say, as the senior Senator from Minnesota has stated, that something should be done about milk for children and about brucellosis control. I wish we could bring the House to our view, but apparently we cannot do that. If anyone can suggest how they will cooperate, I should be delighted to be informed.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Probably the difficulty is that the junior Senator from Minnesota proposed it in the Senate. At least that seems to be the only objection.

Mr. HUMPHREY. I do not wish to leave that implication in the RECORD. Certainly the remarks which were made a short time ago were rather disturbing to me.

Mr. SALTONSTALL. Mr. President, I yield 2 minutes to the Senator from Vermont [Mr. AIKEN.]

Mr. AIKEN. Mr. President, it is perfectly obvious that if the amendment of the junior Senator from Minnesota is attached to the pending bill, the other bill (H. R. 8320) providing money for the school milk program and the brucellosis program for 2 more years will never be acted upon in conference or in any other way.

Mr. President, I think too highly of our school children and I think too highly of the health of our people to tie that

amendment to a bill which may have very little chance of becoming law. If anyone wishes to kill the school milk program, and if they wish to kill the brucellosis program for the next 2 years, there is no better chance to do it. Our States must now plan their work for the period after the first of July, and there is no time to lose.

Mr. HUMPHREY. Mr. President, I merely wish to say that I am shocked by that kind of language, impugning motives. Very frankly, it is because I respect the senior Senator from Vermont so much that I refuse to reply in kind.

Mr. AIKEN. Mr. President, if I had not heard the junior Senator from Minnesota impugning other people's motives and character so much on the floor of the Senate in the past few days, probably I would not have said what I did.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

Mr. HICKENLOOPER. Mr. President—

Mr. SALTONSTALL. Mr. President, I withdraw my suggestion. I yield 5 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, we are in a rather ominous, even dangerous, situation at this moment. I do not believe there is a Member of the Senate who is not in favor of an extension of the brucellosis program and of the school milk program. We have shown that by our votes. The Senate has passed a bill providing for a 2-year extension. It has gone to the House with some slight amendment. For some unknown reason—I shall say, for the sake of the argument, and to give everyone the benefit of the doubt—the conferees on the part of the House have refused even to meet on that bill. The differences between the House and the Senate are so inconsequential as to be trivial. There is no disagreement on the main points of the bill as passed by both Houses of Congress.

If the House Members want a school milk program and a brucellosis program for the next 2 years, they can have it in 20 minutes. Yet for weeks and weeks they have refused even to confer. Those facts are apparent, patent, and available on their face. I want the responsibility for the failure of the brucellosis program and of the school milk program to rest exactly where it belongs, and that is with certain gentlemen in the other House of Congress, who refuse to meet and to cooperate with the Senate conferees.

I do not know what motives may lie behind their refusal. However, let me pose a set of circumstances. Of course this must be pure conjecture, because by not the slightest stretch of the imagination would I make any implication of political maneuvering with the health of the American people in connection with the brucellosis program or that of providing our schoolchildren with milk. No, I would make no implication or suggestion that the situation is being used for political manipulative purposes in the House of Representatives, or anywhere else. But it could be entirely possible, although unthinkable, that if we were to put the provisions of the bill which has been passed by both Houses into the pending bill, that bill, which

could be enacted within 24 hours, would never see the light of day; and it would be possible to use the health of the children of America and the health of the adults of America in connection with the brucellosis program as a club, if you please, Mr. President, to say, "You will not get that unless in conference you will agree to all our conditions and terms with respect to the farm bill."

I would not impute such a motive to any one Member of Congress, because, as we all know, the paragons of excellence and the repositories and the possessors in the highest degree of all human virtues are in the Congress of the United States, and no Member of Congress has any motives except of the most altruistic kind.

I understand that, Mr. President. I agree that that is true. I certainly do not think that any Member of either body would do such a thing, as to use the health of the children and the health of the adult population of the United States for political manipulation. Perish the thought, Mr. President. Perish the thought. There must be some other reason that the gentlemen of the other body will not sit down in conference to discuss a disagreement which is so trivial that, if the bill were returned to the Senate, the amendment could be so quickly withdrawn and the full terms of the House so quickly agreed to that hardly anyone would know that the bill had been passed.

However, there is no way of getting possession of that bill. There is no way by which we can recall the bill from conference.

I am exploring the possibility that we might ask unanimous consent to bring the bill back from the conference, discharge the conferees, eliminate the so-called objectionable amendment which the Senate attached to it, reconsider the bill, and pass it again exactly as it came from the House, and get the bill on its way. That could be done within 1 day; and I warn the Senate that I may request unanimous consent, if that be necessary, to discharge the conferees, to recall the bill, reconsider it, and eliminate the so-called objectionable amendment. Then I wish to see who will object, because we can get a brucellosis bill within 2 days, providing we can get the machinery properly arranged to discharge the conferees and bring the bill back and pass it in the same language in which the House passed it.

Mr. HUMPHREY. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I am not opposed to the Senator's amendment.

Mr. HUMPHREY. No; I know that. That is not what anyone in the House is objecting to. They are objecting to the 2-year extension.

Mr. HICKENLOOPER. I am sure that if the bill were returned to the Senate, the Senator would not object to having his amendment eliminated.

Mr. HUMPHREY. I should be glad to cooperate. I have been a sponsor of legislation of this character for months and years.

Mr. AIKEN. Mr. President, I would agree to a unanimous-consent request to discharge the conferees, because I think

our conferees have suffered enough indignity already in this matter. I would not now consent to recalling the bill. I am satisfied that if the House itself had a chance to vote on the 2-year extension provision, it would agree to it, but the committee itself could sit on the bill indefinitely and not hold any conference meetings, and leave it lying on the shelf to be used as a political blackjack. Although, Mr. President, I agree with the Senator from Iowa that no Member of the Congress would stoop that low or even think of doing so.

I should not want the bill to come back to the Senate, but I should be glad to have the conferees discharged.

Mr. CAPEHART. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. CAPEHART. Let me see if I correctly understand the situation.

The Senate has already passed a bill to do exactly what this amendment proposes to do. The House has likewise passed a bill. Will it do, for all practical purposes, exactly what this amendment will do? Is that correct?

Mr. HICKENLOOPER. It is substantially correct. There is a slight difference.

Mr. CAPEHART. When did the Senate pass the bill?

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. SALTONSTALL. Mr. President, I yield 4 more minutes to the Senator from Iowa.

Mr. CAPEHART. My next question is, When did the Senate pass the bill?

Mr. HICKENLOOPER. The House passed the brucellosis bill on May 5, 1955, extending it for the next 2 years. The Senate acted on the House bill in February.

Mr. CAPEHART. Of this year?

Mr. ELLENDER. Mr. President, the Senator is not correct. In my own time I shall be glad to explain the situation.

Mr. HICKENLOOPER. The clerk of the Committee on Agriculture and Forestry just handed me the information as to dates, and it was on the basis of that information that I was responding to the Senator from Indiana.

Mr. CAPEHART. When did the Senate pass this bill?

Mr. ELLENDER. The bill which is now in conference was passed by the Senate 3 weeks ago.

Mr. CAPEHART. A bill that will do exactly what the amendment offered by the able Senator from Minnesota will do?

Mr. ELLENDER. Yes.

Mr. CAPEHART. Is the substance of his amendment in a bill now pending in conference between the two Houses?

Mr. ELLENDER. The Senator is correct.

Mr. CAPEHART. Why has there not been a conference on that bill? Why has not the question been settled?

Mr. ELLENDER. As chairman of the Senate conferees I made several attempts to obtain a conference. We fixed a date, but it was not agreeable to the House conferees. They suggested another date, which was not agreeable to us, because most of the Senate con-

ferees were out of town. Since that time no effort has been made by either side.

Mr. HICKENLOOPER. If the Senator will bear me—

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. SALTONSTALL. Mr. President, how much time remains to those who are in opposition to the amendment?

The PRESIDING OFFICER. Seven minutes remain.

Mr. SALTONSTALL. Mr. President, I yield 3 minutes to the Senator from Indiana.

Mr. CAPEHART. Why is it not easier for the conferees to hold a conference on a bill already passed than to add this amendment to the pending farm bill?

Mr. ELLENDER. Let me explain to the Senator what happened. As Senators know, House bill 12 came to the Senate on May 9, 1955—

Mr. CAPEHART. Will the Senator repeat that, please?

Mr. ELLENDER. The House passed H. R. 12 on May 5, 1955, and it reached the Senate on May 9. In that bill the level of price supports on the basics was raised to 90 percent, and the price support for milk and milk products was fixed at a level of 80 to 90 percent. Extension of the brucellosis program through June 30, 1958, was in it; it also provided for an extension of the school milk program, but not exactly according to the way the Senate felt it should be handled, in that the school milk program was extended only through June 30, 1957. When we started hearings on the pending general farm bill it was my belief that we had delayed so long that we might not be able to obtain legislation in time to provide funds to complete this current fiscal year's program. So I suggested to Representative COOLEY and Representative POAGE that the House pass a bill providing funds to complete this year's program. The House did pass a bill—H. R. 8320—providing for \$2 million to carry the brucellosis program through this fiscal year, and also providing \$10 million to continue the school milk program for the remainder of this fiscal year.

When H. R. 8320 came before the Senate, we amended it to include a 2-year program for both brucellosis and school milk—which possibly we should not have done, because it was also in the bill H. R. 12 which had previously been approved by the House and which we expect to have in conference soon. The House refused to accept the Senate amendments to H. R. 8320, and sent the measure to conference, where it now rests.

I do not believe there is too much politics involved, about which the Senator from Vermont has been declaiming. I have been trying to keep the two programs out of politics. The point I tried to make a while ago was that if we desire to provide \$2 million in order to complete this year's brucellosis program and provide \$10 million to carry the school milk program through June 30 of this year, it seems to me we should agree to the provisions of H. R. 8320 in the form that the House has already passed, and

let the matter of the 2 years' extension be considered in connection with H. R. 12.

Mr. CAPEHART. Can that be done through conference with the House?

Mr. ELLENDER. They refuse to do it in conference on H. R. 8320.

Mr. CAPEHART. Why?

Mr. ELLENDER. Because they say the long-range program is in the original bill, H. R. 12, which the House passed on May 5, 1955.

Mr. CAPEHART. Does the Senator mean the farm bill which we are now considering?

The PRESIDING OFFICER. All time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I ask for 5 minutes on the bill.

I should like again to explain the situation. I should dislike to see the Senate reject the pending amendment, because if the amendment is not adopted, it will mean that the House will remain adamant. If that should happen, it would not be possible to make funds available to continue the brucellosis program for this year or to obtain \$10 million for the milk program for the remainder of the year.

Mr. CAPEHART. Why?

Mr. ELLENDER. Because the House will not agree to include in H. R. 8320 an extension of 2 years. The House has suggested that the Senate place the 2-year extension in the general farm bill—H. R. 12—which the House sent to the Senate last year.

Mr. CAPEHART. Does the Senator mean to say the House is willing to have no legislation on the subject; that the House is not willing to provide free milk over a period of time, whether it be 2 years or some other period? Is that the position of the House?

Mr. ELLENDER. I shall not endeavor to say what the position of the House is. But the point is that the Senator from Vermont [Mr. AIKEN] introduced a bill in the early part of this year providing funds for the brucellosis program, not only for the remainder of the present year, but also for 2 years hence.

Mr. AIKEN. That is correct.

Mr. ELLENDER. In order to get money for this year's program, I suggested to the Members of the House that they send to the Senate a bill providing funds for the remainder of this fiscal year. That they did.

Instead of passing the House bill as it came to the Senate, the Senate added a 2-year program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. Does not the Senator from Louisiana realize that when the Senate substitutes its bill for H. R. 12, the 2-year extension will already be in the bill? Therefore, why all the maneuvering to include it twice in the same bill?

Mr. ELLENDER. The House version authorizes a lesser amount for brucellosis than that which the President suggested. If we adopt the language of H. R. 12, we could not go above that figure in conference. H. R. 12 provides \$75 million for the school-milk pro-

gram—the same as the Senate provided in H. R. 8320—but the program is extended only through June 30, 1957, whereas the Senate version of H. R. 8320 extends it through June 30, 1958. If we accept the language of H. R. 12, the conferees are bound by a 1-year extension and we would lose the 2-year extension.

Mr. AIKEN. \$75 million annually was provided for 2 years in the Senate bill.

Mr. ELLENDER. Let the Senate act as it desires. Unless the Senate agrees to let the long-range program be settled in the future, as a part of the consideration of the general farm bill, we shall not, in my humble judgment, be able to get the House to provide funds for the remainder of this fiscal year.

Mr. AIKEN. Does the Senator from Louisiana think, then, that if the Senate does not agree to do what the House wants, the House would deprive the schoolchildren of milk?

Mr. ELLENDER. I do not know the reasons the House might give for its action, and how far it might go, but there is no doubt that unless the Senate shall follow the procedure which is now proposed, and if the House continues to remain adamant, as I believe it will, the school-milk fund will be exhausted soon, and so will the brucellosis fund. I do not see any other way to proceed than in the manner suggested.

Mr. AIKEN. If the Senate yields on this matter, will it not have to yield to all the other demands of the House?

Mr. ELLENDER. I do not know. I do not care to predict. That remains to be seen, when we are in conference on the pending bill.

I may say to my good friend from Vermont that the time is running short. Only 2 more weeks remain before many of the school lunch programs will have to stop. I do not want to be a party to that. I do not want to be so stubborn as not to be willing to adjust the matter in conference.

Mr. AIKEN. Let us see who is stubborn. The House says there will be no school milk program unless the Senate agrees to the House bill.

Mr. ELLENDER. Just because the House is stubborn is no reason why the Senate should be stubborn.

The PRESIDING OFFICER. The time of the Senator from Louisiana on the bill itself has expired.

Mr. ELLENDER. Mr. President, I ask for 1 more minute.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. Has not the Department of Agriculture recommended a temporary extension?

Mr. ELLENDER. That is my recollection.

Mr. HUMPHREY. Is it not true that both Houses, in separate bills, have agreed upon a 2-year extension?

Mr. ELLENDER. The Senate has already agreed to a 2-year extension of both programs; the House has already approved a 2-year extension of the brucellosis program, and a 1-year extension of the school milk program.

Mr. HUMPHREY. So the 2-year extension is bound to come. The question at issue is whether or not we in Minnesota, 2 weeks from now, will have any school milk program.

Mr. ELLENDER. That is the issue.

Mr. HUMPHREY. If I had known the amendment would cause all this trouble, I would not have brought it up in 50 years. I thought I was doing a favor by trying to help people. I regret that the House will not see the situation as the Senate sees it. I express the hope that it will be possible to have the matter settled.

I think the Senate conferees can meet with the House conferees and try to have the funds authorized with which to continue this year's program.

Mr. THYE. Mr. President, will the Senator yield 1 minute to me?

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the senior Senator from Minnesota.

Mr. THYE. I reported to the Senate the bill which is now being discussed relative to increasing the funds for the brucellosis eradication program and also the school-lunch program. The bill was passed by the Senate and was sent to the House. What the House has done is something about which we can do nothing other than to criticize.

The Department of Agriculture has recommended that action be taken. If the Senate fails to act on this matter this afternoon, funds will not be available with which to continue the school milk and lunch program. Funds will not be available for a continuation of the work of the veterinarians in the brucellosis-eradication program, a program designed to stamp out the brucellosis disease in livestock across the Nation. The lives of humans will continue to be endangered so long as that disease exists.

For that reason I believe we should meet the issue of the 2-year extension of the program when that issue comes before the Senate. But let us this afternoon act favorably upon the amendment offered by the junior Senator from Minnesota in order to obtain the funds which are needed to carry on the program.

The PRESIDING OFFICER. The time of the senior Senator from Minnesota has expired.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield 3 minutes to me?

Mr. ELLENDER. Mr. President, I yield 3 minutes on the bill to the senior Senator from Florida.

Mr. HOLLAND. Mr. President, I regret that this difference of opinion has arisen concerning a matter in connection with which everyone is trying to do a particular thing, although we are merely taking somewhat different routes to reach the goal.

To refresh the minds of Senators who are members of the committee, it will be recalled that when it became evident that the Senate was going to spend so much time on the main farm bill, the omnibus bill, that we would be prevented from determining this question by April 1, the necessary date, I suggested, and other members of the committee, without exception, all followed the suggestion,

that the Senate take separate action on this measure, in order to expedite settlement of the matter and to get it out of the way.

I thought the suggestion was good then; I think it is good now. I think the matter was handled in a completely nonpolitical manner. I recall that the chairman of the committee, who happens to be of one party, directed that the report be made by the senior Senator from Minnesota, who happens to be of the other party. This clearly indicates the matter was being completely nonpolitically handled, as I hope it will be handled now.

I think the amendment should be agreed to. I am just as irritated as is any other Senator by the inaction of the House conferees. I remind the Members of the Senate that the conferees on the pending bill will be drawn from the same group. They will be sitting down together on a bill which is a temporary bill at the same time they probably will be sitting together in conference on the larger bill.

If the Senate wants to be stubborn, the Senate conferees have a perfect right to be stubborn, if they wish to be, until the 28th or 29th of March. Then, instead of our being the ones who have to act or have to recede from stubbornness, it seems to me the shoe will be on the other foot, and the House conferees will be the ones who will either have to recede from their stubbornness, or else be the ones who will be responsible, and will have to accept responsibility, for inaction on the extension of the brucellosis program and the school-lunch program for milk for the next 2 years.

The only difference between the House bill and the Senate bill on this matter, because both bills deal in exactly the same way with the interim period, is, as I understand, that the House bill extends the program for 1 year, while the Senate bill extends the program for 2 years.

We are all supporting both of these programs. It seems to me that eventually the Senate conferees will have it completely in their power to say, "Either we are going to consider both of these bills or take enough time on the big bill."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 1 more minute on the bill.

Mr. HOLLAND. But when the deadline is approaching, we can say to the House conferees, "Either join with us in extending the program for 2 years, or accept responsibility for possible defeat of the whole measure."

Mr. President, the objective is so worthwhile that I hope we will not jeopardize it. I hope to ask unanimous consent to withdraw the request for a ye and nay vote and proceed with a voice vote on the amendment to include in the bill the language now under discussion.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CAPEHART. Does the Senator have any reason to believe that the House will accept in its pending bill what it refused to accept in the other bill?

Mr. HOLLAND. I have no reason to know what the House will do, but the subject will be before it in both bills. It is already covered in the House bill. It is not yet in our omnibus bill. It is in the small House bill the Senate amended.

The question of time will be in control of the joint conference committee. We are certainly within our rights in insisting on using the time up until the 28th or 29th of March in trying to get together on the big bill.

Mr. CAPEHART. Then the Senator from Florida cannot state whether or not the House will accept it if the provision is put in the pending bill.

Mr. HOLLAND. I cannot.

Mr. CAPEHART. Does the Senator have any reason to believe that the House will accept it?

Mr. HOLLAND. The House has passed the 1-year feature and has passed everything the Senate has passed upon, except with minor differences of time and maybe small differences in amounts of money.

I should dislike to see the Senate divided on a program in which we are all so eager to see extended, namely, the brucellosis and the school lunch programs, in connection with which the Senate has been generous to the milk producers and, at the same time, to the schoolchildren and those who get the benefit of the other program.

I am going to ask unanimous consent to rescind the order for a yea-and-nay vote and that a voice vote be taken.

Mr. CAPEHART. Mr. President, I would object. I should like to ask a question of the chairman of the committee. Does the chairman of the committee think that the House will accept in this bill what the House refused to accept in a separate bill?

Mr. ELLENDER. I do; yes.

Mr. CAPEHART. Why?

Mr. ELLENDER. The Senator from Vermont has made the statement that the House would like to have something on which it could trade. I presume that may be a reason.

The PRESIDING OFFICER. Will the Senator indicate how the time is being charged?

Mr. ELLENDER. To the bill.

Mr. HOLLAND. Mr. President, I renew my request that the order for the yeas and nays be rescinded and that the Senate vote on the amendment by a voice vote.

Mr. ANDERSON. I object.

Mr. AIKEN. Mr. President, I have listened to the argument. I am still not convinced. I think it would be very unwise to yield on a matter affecting the schoolchildren and the health of our people. I have listened to the chairman of the committee say the House will simply not extend the program if the 2-year extension is insisted upon. I want the school authorities, the dairy people, and everyone else in this country to know who is holding up their program.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. AIKEN. Yes, I realize that a record vote may be misunderstood and I am willing to have the order for the yeas and nays rescinded.

Mr. YOUNG. I object to rescinding the order for the yeas and nays.

Mr. HICKENLOOPER. Mr. President, will the Senator from California yield me some time?

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. This is one of the most diabolical situations I have seen in 12 years in the Senate. I have my own ideas as to what the motives behind it are, not on the part of any Senator, but on the part of some persons in some other place. This is a trifling on the part of some persons with the health of children and grownups. Perish the thought that Members of the Senate would be guilty of such an attitude. I say they would not—oh, no, not at all. But some persons for political, manipulative purposes, are doing this. I shall vote to adopt the amendment, because I do not propose to give anyone an opportunity to point only to the naked record and say, "HICKENLOOPER voted against the brucellosis program and the school lunch program." That is one of the diabolical aspects of the situation. So I shall vote to put the language in the bill, but I hope no one will think I am so naive that I cannot see through the transparent purposes of some persons in other places outside the Senate.

Mr. ELLENDER. Mr. President, will the Senator yield me half a minute?

Mr. AIKEN. I ask that the Senator take time on the bill.

Mr. ELLENDER. I hope my good friends withdraw their objections to the request of the Senator from Florida [Mr. HOLLAND].

Mr. ANDERSON. Mr. President, we have listened to the Senator from Minnesota practically being called a murderer. We have listened to my being denounced for taking part in politics. I have tried to stay out of politics. I have taken a stand against my party time after time after time. I voted against proposed cotton legislation. I do not think it is right to indulge in the sort of discussion which has taken place. I think it is too bad when we do that. As we go further into the farm bill, we seem to be getting further and further apart. We become tired and get angry with each other. I believe it could be possible that the Senator from Minnesota, who has offered the amendment time after time after time, might at this time have offered it for good purpose.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield 1 minute to me?

Mr. ELLENDER. I yield 1 minute on the bill.

Mr. HOLLAND. Mr. President, no one knows the nonpolitical nature of the services of the distinguished Senator from New Mexico better than I do. I started following him in this field when

he was a very distinguished Secretary of Agriculture, before he came to this body, and I have not wavered in the slightest in supporting the same philosophy which is his.

I certainly realize that some unfriendly and unnecessary statements have been made here, but the point I remind all Senators of is that, after all, we are all talking about a procedural matter, pure and simple. We are all for the school-lunch program. We are all for giving children more milk. We are all for extending that program. We are all for the brucellosis program. It seems to me it would be quite all right to have the language proposed both in the bill which the Senate passed, and which is now in conference, and in the omnibus bill. I say again the decision will be with the conferees, just prior to April 1, as to which bill the provisions will be put in.

I renew with hope and some confidence my request that the Senate vacate the order for a yea and nay vote on the amendment.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. YOUNG. Mr. President, reserving the right to object—

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. YOUNG. Mr. President, reserving the right to object, and I shall not object—

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the Senator from North Dakota.

Mr. YOUNG. I shall not object to the unanimous-consent request. I think it is unfortunate that we have gotten into this kind of discussion. A Senator has impugned the motives and the good faith not only of our own Members, but of Members of the other House.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. JOHNSON of Texas. Has that been done?

Mr. YOUNG. Yes.

Mr. JOHNSON of Texas. Is it not in violation of the rule of the Senate to impugn the motives of a Senator, and is it not conduct unbecoming a Senator?

Mr. YOUNG. I think so.

Mr. JOHNSON of Texas. I am sure that any Senator who has violated the rule will want to withdraw a statement in violation of the rule.

Mr. YOUNG. I have thought all along that we are going to have a farm bill; we should have one. We are not going to have a bill if we say to the House, "You take our bill, or else." I do not think we are going to have a bill if the House says to the Senate, "You take our bill, or else." I do not think the President of the United States is going to place himself in the position of asking the Congress to pass a bill word for word as he wants it, or else there will not be one.

I think Members of Congress on both sides are fair. I think the President will be fair. I think we can get a bill if we refrain from the kind of arguments we have witnessed for the past hour.

Mr. HOLLAND. I appreciate the statement of the Senator from North Dakota.

Mr. BUSH. Mr. President, will the Senator from Florida yield for a question?

Mr. HOLLAND. Yes; if I have time to yield.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The time of the Senator from Florida has expired; all time on the amendment of the Senator from Minnesota has expired.

Mr. KNOWLAND. Mr. President, I yield 1 minute on the bill itself to the Senator from Connecticut.

Mr. BUSH. I thank the Senator from California.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 1 minute.

Mr. BUSH. Mr. President, in the light of what was said a moment ago, I desire to ask this question of the Senator from Florida: If the amendment is added to the pending agricultural bill, and if the bill as thus amended is passed, but subsequently is vetoed by the President for any reason whatever, would there then be a chance to have a conference held on the bill relating to the school milk and brucellosis eradication programs? I refer to the bill which the Senate passed several weeks ago.

Mr. HOLLAND. Yes; unless in the meantime the conferees had reported, and the conference report had been agreed to, and the bill had become law, and thus had left the custody of the conferees and the Congress. If the bill had in the meantime become law, without such a provision, then the only procedure would be for another bill on the subject to be introduced and acted upon by the Congress.

Mr. BUSH. So, regardless of the possibility of a veto, the chances of enacting at this session a provision for the school milk and brucellosis eradication program are very good, are they?

Mr. HOLLAND. I think the chances are very good; yes.

The PRESIDING OFFICER. The time yielded to the Senator from Connecticut has expired.

All time on the amendment of the Senator from Minnesota has expired.

Mr. KNOWLAND. Mr. President, I yield an additional 4 minutes on the bill to the Senator from Vermont [Mr. AIKEN], to permit him to discuss the amendment.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 4 minutes on the bill.

Mr. AIKEN. Mr. President, I am very sorry if the Senator from New Mexico got any idea that I thought he was playing politics with agricultural legislation, because I have repeatedly stated that he would never play politics with the agricultural bill or with any measure dealing with the agricultural situation. I still do not know what he thinks I said, as applied to him.

However, Mr. President, I still say that if there is any parliamentary way by which we can straighten out this situation, I shall propose it. My suggestion is to discharge the conferees on the part of

the Senate, and for the Senate to recede from its amendments to House bill 8320, and to accept the provision made by the House for extending the program to June 30, 1956. In that way we can provide for funds for the program for the next few months. I do not know whether it is parliamentarily possible for us to proceed in that way. I understand that the Senate does not now have the papers on that bill; and, of course, it would be necessary for us to have the papers before we could do what I have just suggested. However, if we can find a way in which to accomplish that result, that will make the funds available.

Would the course I have suggested satisfy the Senator from Minnesota?

Mr. ELLENDER. Mr. President, if, first the Senator from Vermont will yield to me, let me say that the result we desire can easily be achieved if the pending amendment is agreed to. Then we can have a conference tomorrow morning on H. R. 8320, and the conferees on the part of the Senate can simply agree to the version of the bill that has been passed by the House.

The Senator from Vermont knows that in the early part of the year I suggested to him, "Since the House provides for an extension of the school-milk program in House bill 12, let us let the House pass a separate bill on more funds for this year's program."

The House did pass a separate bill, providing only for completion of this year's program.

When House bill 8320 came to the Senate, the Senate adopted an amendment to provide for a 2-year program. To some extent, that was in violation of the understanding the chairman of the committee had with the House committee.

Mr. AIKEN. Mr. President, I am willing now, if we may do so by unanimous consent, to have the Senate discharge its conferees from further service, and accept the language of H. R. 8320, as passed by the House.

Mr. ELLENDER. I do not think that could be done under the rules, for the reason that conferees on that bill have been appointed by both Houses. It would be necessary for the conferees to meet and to return with their report. That could be done within the next 24 hours. I assure the Senator from Vermont that even though the Senate convenes at 11 o'clock tomorrow morning, I shall make a move to have a meeting of the Senate conferees with the conferees on the part of the House on tomorrow morning between 9 and 11 o'clock.

Mr. HOLLAND. Mr. President, my unanimous-consent request is still pending. I hope the Chair will put that request.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Objection was heard.

Mr. HOLLAND. Not to the last request, Mr. President.

Mr. RUSSELL. Oh, yes, Mr. President; objection was made.

Mr. BARKLEY. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield.

Mr. BARKLEY. Let me say that in my judgment the Senate could not at this moment take any action to withdraw the other bill from the conference with the conferees on the part of the House of Representatives, because the House of Representatives has possession of the papers on the bill.

Mr. AIKEN. That is correct.

Mr. BARKLEY. In order to get the papers back into the possession of the Senate, the Senate would have to proceed by means of an agreement with the House.

Mr. AIKEN. I understand that there are parliamentary difficulties in the way. I hope the Senator from Kentucky understands that the school milk program and the program for the eradication of brucellosis are very close to my heart. I hate to see those programs used as a pawn in a conference where other matters may have more political import.

Mr. BARKLEY. I appreciate the feeling of the Senator from Vermont about the matter, and I share his feeling completely. However, it seems to me that what we have to decide upon now is whether we shall punish someone in another body, by reason of something he is willing or perhaps is not willing to do, and thereby punish the children of the United States because of our unwillingness to take action on that measure. That is the way the question presents itself to me.

I wish to say that I congratulate the Senator from Iowa [Mr. HICKENLOOPER] for saying that, despite his resentment for something which has taken place—something which I do not know anything about—he will vote for the amendment. I think that is a very broadminded way to look at the matter.

Mr. AIKEN. Mr. President, despite my feeling on the subject, I much prefer to have the school milk program and the brucellosis eradication program continued to July 1, rather than be stopped now. Whether those programs shall continue beyond July 1 will remain to be seen.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield 1 minute to me?

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. ELLENDER. I yield 1 minute on the bill to the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 1 minute, on the bill.

Mr. HUMPHREY. Mr. President, let me say that I deeply regret that this incident has occurred. I offered the amendment in good faith, after consultation with the chairman of the committee and with groups who are interested in this program.

I think the record is now perfectly clear that, no matter what happens, if this amendment is adopted we shall have the school-milk program and the brucellosis-eradication program, and both the House version of the bill and the bill as passed by the Senate will have in them provision for a 2-year extension. Therefore, since both Houses will be in agree-

ment, we surely will have a 2-year extension.

Mr. ELLENDER. Mr. President, let me make a correction in the statement the Senator from Minnesota has made.

Mr. HUMPHREY. Certainly.

Mr. ELLENDER. The House bill—H. R. 12—provides for only a 1-year extension of the special school-milk program, to June 30, 1957.

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. Whereas the bill, H. R. 8320, as amended by the Senate, provides for a 2-year extension. Should the Senate adopt the pending amendment, we can throw the long-range program into conference on H. R. 12, where it will be possible for the Senate conferees to have agreement reached for a 2-year extension of the program.

Mr. HUMPHREY. My only point is that by adopting this amendment the provision will be included in the bill relating to the farm program which will be considered by the conferees. In this way the Senate will go on record as insisting that there be a 2-year extension. I believe that is important.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. AIKEN. Mr. President—

Mr. KNOWLAND. Mr. President, I yield 1 minute on the bill to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 1 minute, on the bill.

Mr. AIKEN. I thank the Senator from California.

Mr. President, I ask unanimous consent to have the papers on H. R. 8320 returned from the House of Representatives. I believe that can be done by unanimous consent. When that is done, the Senate can accept the bill as passed by the House of Representatives.

Mr. ELLENDER. That, of course, would forego a conference on the bill.

Mr. AIKEN. But in that way we could get the school milk program and the brucellosis eradication program going.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. BARKLEY. In order to do that, will not it be necessary for the Senate to recede from its disagreement to the House proposal; or, rather, for the Senate to recede from its insistence upon the amendments adopted by the Senate, and to request the House of Representatives to return the papers to the Senate?

Mr. AIKEN. Mr. President, whatever may be the proper parliamentary procedure, I am now requesting that it be followed.

Mr. HUMPHREY. Mr. President, did not I correctly understand the chairman of the committee to say there could be a meeting of the conferees tomorrow morning?

Mr. ELLENDER. Yes; and it seems to me that the shortest and best way to proceed is to have the conference on H. R. 8320. I am sure we can have the conference in the morning. Let us try that. If it fails, we can see what other steps will best accomplish the desired result.

Mr. AIKEN. Mr. President, I have submitted a unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Vermont?

Mr. ELLENDER. I do not object to it—

Mr. AIKEN. I think what I suggest will be the quickest way for us to proceed.

Mr. ELLENDER. But I believe the safest and best way to proceed will be to have the conferees on H. R. 8320 meet tomorrow morning; and at the meeting the Senate conferees can recede from the amendments adopted by the Senate to the House bill.

Mr. AIKEN. There would be a delay of 3 or 4 days while the conference report was reaching the House of Representatives.

Mr. ELLENDER. If the Senator from Vermont can find a quicker method of procedure than the one I have suggested, I shall cheerfully join him in proposing that it be adopted.

Mr. AIKEN. I think the method I have suggested will be the quickest.

The PRESIDING OFFICER. All time on the amendment of the Senator from Minnesota has expired; and all time yielded on the bill has expired.

Is there objection to the unanimous-consent request of the Senator from Vermont?

Mr. JOHNSTON of South Carolina. Mr. President, I object. I want a free conference to work this question out in the morning.

The PRESIDING OFFICER. Objection is heard.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, from the time on the bill, I yield 1 minute to the Senator from Vermont.

Mr. AIKEN. Mr. President, inasmuch as there seems to be no way in which we can obtain a 2-year extension for the school milk and brucellosis programs under the provisions of H. R. 8320, so far as I can see, I have no objection to including the amendment in the bill, and will vote for it.

I had hoped that we could obtain early action on the brucellosis and school-milk programs, so that the States could organize their programs for the next year. However, I do not seem to be getting anywhere, so I will vote for the pending amendment.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield 1 minute to me?

Mr. ELLENDER. I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. Let me say to my friend from Vermont that I share the view he has expressed. I look across the aisle at him in a spirit of friendship.

Mr. AIKEN. I have already informed the Senator from Minnesota that I intend to withdraw from the RECORD any rough words I may have sent across the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. MONRONEY] are absent on official business.

I further announce that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. MONRONEY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in his State, and, if present and voting, he would vote "yea."

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent, and, if present and voting, he would vote "yea."

The Senator from Idaho [Mr. WELKER], is detained on official business, and, if present and voting he would vote "yea."

The result was announced—yeas 89, nays 0, as follows:

YEAS—89

Aiken	Fulbright	McClellan
Allott	George	McNamara
Anderson	Goldwater	Morse
Barkley	Gore	Mundt
Barrett	Green	Murray
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Holland	Payne
Bush	Hruska	Potter
Butler	Humphrey	Purtell
Byrd	Ives	Robertson
Capehart	Jackson	Russell
Carlson	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Scott
Chavez	Kennedy	Smathers
Cotton	Kerr	Smith, Maine
Curtis	Knowland	Smith, N. J.
Daniel	Kuchel	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Magnuson	Thye
Eastland	Malone	Watkins
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young
Frear	McCarthy	

NOT VOTING—6

Bridges	Kefauver	Monroney
Clements	Millikin	Welker

So Mr. HUMPHREY's amendment was agreed to.

Mr. PAYNE. Mr. President, on behalf of myself and the senior Senator from Maine [Mrs. SMITH] I offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from Maine will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 6, line 23, after the comma, to insert "and production goals established by the Secretary."

On page 7, line 11, after the word "respectively", insert a comma and the following: "and of such other commodities as the Secretary may find to be in excessive supply and for which he shall have established production goals."

On page 7, line 15, after the word "amended", insert a comma and the following: "or production goals established by the Secretary."

On page 7, line 17, after "allotment", insert the following: "(or, in the case of commodities for which production goals have been established, below the acreage necessary to meet the production goal for such farm)."

On page 8, before the period at the end of line 25, insert a comma and the following: "and of any other commodities which may be included in the acreage reserve program."

On page 9, line 8, after the comma following the word "amended", insert "production goals."

Mr. FLANDERS. Mr. President, I should like to inquire the number of the amendment offered by the Senator from Maine.

Mr. PAYNE. The amendment is not numbered. A mimeographed copy of it has been placed on the desk of each Senator.

Mr. President, I ask unanimous consent that the amendments may be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PAYNE. Mr. President, I yield myself 5 minutes.

Mr. President, the bill, S. 3183, which we are currently debating, is designed to encourage farm stability by controlling agricultural surpluses. One method of reducing surpluses, while insuring producers against losses of income, is through the withdrawal of acreage from production. President Eisenhower's recommendations to the Congress for farm legislation propose an extensive program of acreage withdrawal. Sections 203-206 of S. 3183 would provide what we all hope will be a workable program to eliminate burdensome agricultural surpluses in the basic commodities.

In acting upon this legislation we should consider the application of the acreage reserve programs to other commodities which are also in surplus supply throughout the country.

Last Friday, the Senate passed two amendments which will extend the soil bank coverage to feed grains and peanuts, neither of which are basic commodities. These two amendments represent a step in the right direction, but their scope has been limited to specific crops. There are various other commodities in surplus besides the basic crops, feed grains, and peanuts. For example, last fall in Maine we were faced with a surplus of 20 percent of our crop in potatoes. This, of course, has a price deflating effect on the price of potatoes. But the growers are not suggesting that the Government purchase such surpluses. They do not ask that the Government assist them in storing these surpluses. They do ask, however, that they receive the same opportunity as the producers of the basic commodities to receive compensation for voluntarily reducing their production, by

removing some of their acreage from cultivation.

Surpluses owned by farmers engaged in the production of other than basic commodities are just as much of a problem to the individual farmer as the Commodity Credit Corporation's surpluses of basic crops are to the Government. Much of the surplus held by individual farmers is the result of overplanting stimulated during the Korean war and by the diversion of acreage formerly planted in basic crops. These surpluses are an integral part of the agricultural surplus problem which we are now trying to solve. If the soil bank program is to provide a successful long-range solution to the problem of surpluses, its terms should encompass all agricultural surpluses which are a part of the overall problem.

The amendment to S. 3183 which I have proposed on behalf of my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], and myself, would provide that commodities other than those basic commodities appearing under title I of the Agricultural Act of 1949 as amended would be afforded the opportunity of participating in the soil bank program, therefore introducing a note of equity into a program which has too long been inequitable. Only by placing nonbasic commodities on an equal plane with basic commodities, thereby permitting agricultural surpluses to be controlled in entirety, can there be any real hope that the soil bank program, as provided for in S. 3183, will function effectively.

Mr. President, I urge your favorable consideration of the amendment Senator SMITH and I have proposed in the hope that we may finally embark on a comprehensive surplus-control program which will work toward the simultaneous advantage of the entire agricultural community.

Mr. ALLOTT. Mr. President, will the Senator from Maine yield for a question?

Mr. PAYNE. I yield for a question.

The PRESIDING OFFICER. The time of the Senator from Maine has expired.

Mr. PAYNE. I yield myself 5 more minutes, Mr. President.

Mr. ALLOTT. Mr. President, I should like to ask the distinguished Senator from Maine a question. He mentioned amendments which will extend soil bank coverage to certain crops. Those crops are what?

Mr. PAYNE. Those crops are feed grains and peanuts.

Mr. ALLOTT. In the Senator's State and in my own State the crops of potatoes were in surplus last fall.

Mr. PAYNE. That is correct; and we have had nationwide difficulties in the past few years.

Mr. ALLOTT. And the crop of beans has also been in surplus.

Mr. PAYNE. That is correct.

Mr. ALLOTT. I call attention to the fact that under subtitle A of the bill \$750 million would be appropriated for the soil bank provisions, which are related to what are called basic commodities. I, and I am certain many other Senators, disagree with the contention that crops such as peanuts are basic commodities.

I believe rice was referred to by the Senator from Arkansas the other afternoon as being a small crop.

I now have pending an amendment to increase the amount appropriated under subtitle B to the same amount as that which is provided under subtitle A. It seems to me that if the farmers throughout the country are to get a uniform benefit from this provision, either an amendment such as that of the Senator from Maine must be adopted, or the amount provided under subtitle B must be increased to an amount equivalent to that under subtitle A.

I therefore urge the adoption of the amendment offered by the Senator from Maine.

Mr. PAYNE. I thank the distinguished Senator from Colorado, indeed.

Mr. President, I now yield a minute to the Senator from Michigan.

Mr. POTTER. Mr. President, I wish to ask the distinguished Senator from Maine a question about his amendment. As I understand, it will authorize the Secretary of Agriculture to make a determination as to any crops which might be in surplus, so that those crops could then be considered for eligibility under the soil-bank program.

Mr. PAYNE. That is correct. The Secretary would make a determination that surpluses exist, and then he would establish the production quotas.

I think the Senator from Michigan will agree with me that certainly there are no second-class farmers in this country. They are all endeavoring to earn a living, regardless of the particular commodity they are producing, and all are working in the interest of the welfare of America.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Maine yield so that I may make a brief announcement?

Mr. PAYNE. I am happy to yield.

Mr. JOHNSON of Texas. Mr. President, many of my colleagues have asked me how long it is expected the Senate will remain in session this evening. I previously announced that the Senate would remain in session until about 7:30 or 8 o'clock. No yea-and-nay votes will be taken after 8 o'clock.

Under the order previously entered, the Senate will convene tomorrow morning at 11 o'clock.

I should like all Senators to be on notice that the majority leader and the minority leader have indicated that the Senate will continue in session tomorrow until as late as 11 or 11:30 in the evening.

Today the Senate has disposed of 5 amendments. There were 75 amendments when the session started this morning. While disposing of 5 amendments, we have picked up 5 new ones. So we are right back where we started.

Perhaps by convening at 11 o'clock in the morning and working until 11 o'clock in the evening, we will make progress tomorrow. If we do not make better progress tomorrow, Friday, and Saturday, and on Monday of next week, it may be that the entire farm season will be over before the Senate will have passed a farm bill.

I should like all Senators, who have been so cooperative with the leadership during the debate on the bill, to be on notice that if they have made engagements for tomorrow evening, they had better cancel them if they expect to be recorded on some of the votes which it is expected will be taken.

I thank the distinguished Senator from Maine for yielding to me.

Mr. POTTER. Michigan is a State similar to Maine, so far as agricultural economy is concerned. Michigan does not produce large quantities of the so-called basic crops.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. PAYNE. I yield 1 additional minute to the Senator from Michigan.

Mr. POTTER. The amendment of the Senator from Maine would then accord first-class citizenship to the agricultural specialists who are not producers of the so-called basic commodities.

Mr. PAYNE. That is correct. There are many other States which are in the identical situation.

Mr. POTTER. For example, in Michigan potatoes are raised, as is true of the great State of Maine.

Mr. PAYNE. That is correct.

Mr. POTTER. Large quantities of beans are produced in Michigan. Michigan is one of the largest bean-producing States in the Nation. There are other commodities that are not considered to be basic commodities which would be eligible to participate in the soil-bank program under the Senator's amendment.

Mr. PAYNE. That is correct.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. LANGER. Mr. President, will the Senator from Maine yield for a question?

Mr. PAYNE. I yield 1 minute to the Senator from North Dakota.

Mr. LANGER. Can the Senator give a list of the commodities which would be covered by his amendment?

Mr. PAYNE. It is impossible to give a list. It covers many agricultural products grown by farmers. Potatoes are one; beans are another. One could go down through a list of crops of a similar nature.

Mr. WATKINS. What about fruit?

Mr. PAYNE. Fruit is covered, if it is in surplus.

Mr. GOLDWATER. We grow cactus in Arizona.

Mr. PAYNE. I doubt that cactus would come under the qualification. [Laughter.]

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

I dislike to oppose the amendment, but, in my humble judgment, it would destroy the acreage reserve program. The amendment seeks to put under the acreage reserve program land on which any commodity in surplus is grown. It would mean that all the potato lands of Maine, if potatoes were in surplus, instead of going into the conservation reserve program, would be entitled to go into the acreage reserve program.

Let us not forget that the purpose of the acreage reserve program is to avoid further aggravating the present surpluses of basic commodities. The program is envisioned as a means of curtailing production on allotted acres. As I pointed out several times on the floor of the Senate, the cotton farmer and the wheat farmer have had their acreages cut back until they have been really hurt. The wheat farmer has had his acreage cut from 78 million to 55 million. The cotton farmer has had his acreage reduced from 28 or 30 million to 17 million.

The acreage reserve program is open to those subject to acreage allotments. It is open only to the producers of basic commodities. Bear in mind that they have already reduced their acreages substantially. The Government says to them: "If you will further decrease your acres, and thereby avoid further aggravating the surplus, we will pay you for possibly 50 percent of the value of what you would produce on those acres." By such procedure, it is hoped that it will be possible to reduce, or at least to avoid further aggravation of, the surpluses which now exist.

The amendment offered by the Senator from Maine seeks to apply the acreage reserve provisions to vegetables, potatoes, and every other crop grown in surplus. It strikes me that the Secretary of Agriculture certainly would be under pressure every day to put acres here and acres there under the program, simply because surpluses have been grown on them.

The amendment would apply to commodities which are not storable, such as potatoes and other vegetables.

I point out to my good friends from Maine that the farmers of that State, as well as the farmers of the entire northeastern part of the United States, can come into the conservation reserve program; they are not prohibited from putting their croplands into that program even though they grow crops not subject to allotment.

Mr. PAYNE. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield for a question.

Mr. PAYNE. Will the Senator from Louisiana be good enough to advise us whether peanuts and feed grains are considered as basic crops?

Mr. ELLENDER. The Congress has declared peanuts to be a basic crop.

Mr. PAYNE. The Senate the other day included in the bill peanuts and feed grains, and placed them under the program.

Mr. ELLENDER. Peanuts have been considered a basic commodity since before the war.

Mr. PAYNE. Were not potatoes considered a basic commodity at one time?

Mr. ELLENDER. No. They were included in the Steagall amendment, which applied to the production of vegetables and other nonbasic crops needed during the war. But potatoes never were declared to be a basic commodity.

Mr. PAYNE. Must we draw a distinction between the farmer who earns his living and develops his soil by the

production of potatoes as against the farmer who grows peanuts, wheat, or some other commodity? I do not have to stop with potatoes; I could mention dried beans and many other items.

Mr. ELLENDER. That is not the issue. The main purpose of the acreage reserve program is to do away with or reduce the surpluses. That is why it is provided, and it applies only to allotted acres. In other words, we have today over 1 billion bushels of wheat. We have today over 14 million bales of cotton. We have peanuts in abundance. We have tobacco in abundance. We have other crops in abundance. Those are basic crops. The acres devoted to their production have been reduced from year to year.

It is proposed to say to the farmer, "Although you have been allotted X number of acres, if you will deduct from the X number of acres 10 percent or 15 percent or 30 percent, so as not to further aggravate the surpluses of those commodities, the Government will compensate you to the extent of 50 percent of what you would produce on those acres."

The purpose is to make an effort to reduce the surpluses, and not further aggravate them.

Mr. President, I ask unanimous consent to have printed in the RECORD an outline of the reasons why the amendment should be adopted.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

1. No production goals as such are established. Guides are formulated for the benefit of producers of perishable commodities.
2. This would not require the Secretary to establish goals, which we understand to mean production-restriction measures in the nature of acreage allotments.
3. The provision would open the Secretary up to extreme pressures to place a wide variety of commodities under production controls and the acreage-reserve program.
4. The acreage-reserve program is designed to stop the accumulation of surpluses of storable commodities eligible for price support.
5. Section 32 funds are available for assisting in the removal of surpluses of perishable commodities and S. 3183 includes an authorization for additional section 32 fund appropriations of \$250 million.
6. Establishment of base acreages and control measures on commodities covered by this amendment would be difficult and expensive:
 - (a) Necessary data are not available.
 - (b) Commodities are widely scattered over the United States.
 - (c) Administration would be difficult.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. I yield myself 1 more minute.

Mr. PAYNE. I should like to say that this is a permissive, not a mandatory amendment. Again I say if we are going to reduce surpluses in one area, then, I think, we should be consistent and be willing to try to reduce surpluses in other areas.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LANGER. Would the amendment apply to strawberries, raspberries, gooseberries, almonds, and such crops?

Mr. ELLENDER. It would apply to any crop in surplus.

Mr. President, I yield 5 minutes to the distinguished Senator from New Mexico.

Mr. ANDERSON. Mr. President, I thought a few minutes ago I would not comment any further on any agricultural legislation at this session, but I believe I cannot help commenting on the pending amendment.

The proposal is an old subject to me. At one time I had on my doorstep the problem of trying to dispose of potatoes. I wish to call the attention of the Senate to the fact that the language of the amendment is fairly broad. It provides that the Secretary shall consider applying the soil-bank provision to the producers of potatoes, tomatoes, stringbeans, lima beans, sweetpotatoes, dried edible beans. For some reason dried field peas are left out. I suppose there will have to be a particular act for that. Castor beans are also left out. But there are included tame hay, timothy, clover, and crops of that nature. If anyone can tell me how we can contribute to the cause of conservation by taking clover out, and putting something else in, then I shall yield. That is not what we are trying to do.

I see the senior Senator from Minnesota is smiling. He realizes how hard we worked to keep the bill a conservation program.

Sometime it might be a good thing to have a Be Kind To Benson Week. This amendment is not kind to him. Can anyone imagine the Secretary of Agriculture being called upon to administer a program which permits him to take tame hay out of cultivation and put in some sort of row crop? I understand there is available \$250 million of section 32 funds for the disposition of surpluses.

Mr. ELLENDER. It is \$442 million.

Mr. ANDERSON. The Senator from Louisiana says it is \$442 million. I was trying to be conservative. I remember \$250 million. I have forgotten the rest of it.

I think it would be extremely unwise for us to put this sort of burden on the Secretary of Agriculture. I do not know whether potato acreage can be controlled. The Congress of the United States time after time after time has told potatogrowers that if they would accept a program for acreage control, Congress might be willing to give them price supports. Each time it was refused. To propose a program which would include sweetpotatoes, ordinary potatoes, tomatoes, and other such crops, would be a very bad thing, and would hurt the bill.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. FULBRIGHT. Does the Senator think that if the amendment were adopted it would break the bank before the doors were opened?

Mr. ANDERSON. I think it would tie down the Department of Agriculture so that it could not operate. That is why I was opposed to the amendments agreed to last night. I recall that at one time

the manager of a large group of chain-stores came to the Department of Agriculture, when we were in the midst of the potato disposal program, and said, "I want you to know that our particular chain of stores at one time bought all our potatoes in Maine and Idaho. In the last year we bought all of our potatoes in Ohio and Indiana, due to the price-support program."

It has taken a while to start the trend to growing potatoes in what I think are extremely desirable potato sections. I think it would be bad to adopt the amendment and try to put in acreage reserve crops, which are already cared for, to a degree at least, by section 32 funds, and to add provisions which no Secretary could administer. I do not know how any Secretary could administer the retirement of sweet clover and timothy under this program.

I hope the amendment will not prevail.

Mr. IVES. Mr. President, will the Senator yield, so I may ask for the yeas and nays? This amendment is very important to my State.

Mr. ANDERSON. I yield for that purpose.

Mr. IVES. I ask for the yeas and nays on the amendment of the Senator from Maine.

The yeas and nays were ordered.

Mr. PAYNE. Mr. President, I yield 6 minutes to my colleague, the senior Senator from Maine.

Mrs. SMITH of Maine. Mr. President, as my distinguished colleague, the junior Senator from Maine [Mr. PAYNE] has so ably stated, the proposed legislation is designed to encourage farm stability by controlling agricultural commodity surpluses. The vehicle employed toward this end is compensation for acreage reductions, this compensation taking two forms: payments in cash and payments in kind.

S. 3183 is concerned exclusively with basic commodities, neglecting to recognize the fact that a surplus condition can exist in crops other than basic commodities. But other crops are in surplus, as is evidenced by the fact that, every year, the Department of Agriculture publishes production guides, which recommend to the farmer production figures which will keep his crop out of the area of surplus.

So, if control of excess production is considered to be a plausible approach to our farm problem, it then seems reasonable to deduce that, if such a program is to be effective, it must be designed to control surplus production in all commodities; that it must be comprehensive, and not selective.

This deficiency in S. 3183 can be corrected by effecting amendments that will afford other than basic crops—those crops for which production guides are used by the Department of Agriculture as an instrument to discourage excess production—the opportunity of participating in the soil-bank program.

The administration of such a program for nonbasics—those commodities not provided for in title I of the Agricultural Act of 1949—would require the establishment of a production base. Among other things, it has been proposed that the basic commodity, corn, which,

through the Agricultural Act of 1954, is excused from marketing quotas, be extended the privilege of participating in the soil-bank program through the use of a historical-production base. This would permit corn to remain under title I and to receive the benefit of a price-supported basic commodity, to escape the severity associated with marketing quotas, and to harvest the benefits of participating in the soil-bank program through an allotment predicated on a historical rather than a current supply-demand base.

Thus, it would seem only fair that a similar consideration be applied to seed crops like oats and barley and till crops like potatoes—nonbasic crops that are in surplus production.

Of course, it may be argued that such a recommendation is not practicable, inasmuch as up-to-date production records are not available upon which to formulate a historical-production base. But this argument can be negated by advising that, in order to cure this shortcoming, some provision should be instituted to provide that this data would, through the county committees, be available for the crop year of 1957 and the following years.

If control of surplus production through a soil-bank program is considered to be a valid approach to today's farm problems, then such a program—if it is to be effective—must be applicable not only to basic agricultural commodities, but to all agricultural commodities that are in a state of excess production. The surplus in the farmer's barn is just as important an ingredient in our agricultural complex as is the surplus in Commodity Credit Corporation bins, and the farmer's full bin is no less a concern to him than is the bursting CCC bins to our Government.

Senate bill 3183 should be amended to provide that commodities other than those appearing under title I of the Agricultural Act of 1949—basic commodities—will be afforded the opportunity of participating in the soil-bank program, thereby introducing a note of equity into a program that has for too long been inequitable. Only by placing nonbasic commodities on an equal plane with basic commodities—thereby permitting agricultural surpluses to be controlled in their entirety—can there be any real hope that the soil-bank program, as provided for in Senate bill 3183, will function efficiently.

Mr. PAYNE. Mr. President, is the Senator from Louisiana prepared to yield back the remainder of the time available on the amendment?

Mr. ELLENDER. First, Mr. President, I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I always regret to oppose any measure in behalf of which the distinguished senior Senator from Maine [Mrs. SMITH] is active; and I may say the same in regard to the other supporters of the amendment. However, it seems to me that the amendment is a very unwise one, in that, if adopted, it will very largely

change the nature of the pending bill, insofar as the soil bank is concerned.

Under the philosophy of the bill, two phases or two kinds of agricultural operations are involved in connection with the soil bank. One is the acreage reserve, with respect to which the immediate project is to take out of production some of the acreage allotted for production of the basic agricultural commodities which have piled up to such an extent in our warehouses that we are spending nearly a million dollars a day for warehouse rentals, and which are destroying the value of what is being produced, because the immense surpluses hang as a threat over the market. Mr. President, let us remember that the acreage reserve is regarded as so necessary that there is not even a requirement for soil-building practices in connection with the acres placed in that reserve; but, instead, there is only a requirement that such acreage shall lie fallow.

If we adopt this amendment, Mr. President, we shall dry up most of the source of the other aspect of the soil bank, which is the conservation reserve. The conservation reserve is designed to take acreage out of the production of tomatoes, potatoes, and other nonbasic crops—just as would be done by means of this amendment—not merely to let those lands lie fallow, but, instead, to put them under soil-building practices, so there will be conservation of our natural resources, by rebuilding the fertility of the soil. The only reason for the use of the phrase "soil bank" in this regard is that the principal aspect of the program is to restore the fertility of the soil, rather than to mine the soil.

Again, I point out that if the pending amendment is adopted, it will dry up the source of the acreage which is supposed to go into the conservation reserve, under the very generous provisions of the bill. The conservation-reserve program is a long-range program; in some cases it can continue for as long as 15 years. It calls for continuity and for a program like the ACP program, except in certain cases it will be more extended, whereas the acreage-reserve program is temporary, is limited to 4 years at the most, on a year-to-year basis. It calls for putting the acreage taken out of the allotted acreage for the basic crops into acreage that will be in a fallow situation; or, for that matter, it could go under conservation practices, although that is not a condition; and no real soil bank, no real restoration of the fertility of the soil, will be had to any great degree from the acreage-reserve program.

I wish, along with the Senators from Maine, that we could treat all agricultural commodity producers as generously as we are treating the producers of the basic agricultural commodities. That applies in very large measure to my State; in fact, I suspect, in larger measure, than it does even to the great State which is so well represented by the distinguished Senators from Maine, because in Florida our principal crops, other than fruit, of course, are annual crops, such as tomatoes, beans, lettuce, okra, and other such crops which we produce

to the amount of approximately \$150 million worth each winter. But, Mr. President, I do not think we have a right to confuse that problem with the other one. Great surpluses of those crops are not in storage; surpluses of those crops are not piling up in the warehouses. Surpluses of those crops are not what are overhanging the market for the commodities to be produced from the acreage which is being tilled now, and which will be tilled this year, by the producers of the basic agricultural commodities.

Mr. President, if this amendment is adopted, it will divert this program from its present purpose, which looks in two directions: One, a short-range program to deal effectively with the basic agricultural commodities of which there are heavy surpluses; and, the other, the program looking toward building greater fertility in the soil, through the conservation-reserve program.

So, Mr. President, although I should like to have my State included in the fullest measure, I know that the producers in my State are not in the position in which the producers of the basic agricultural commodities find themselves, because our producers have become accustomed to destroying their surpluses from year to year. If they plant too many beans, not all of them are harvested. If they plant too much cabbage, some of it is plowed back—and so in the case of each of the other nonbasic crops.

Mr. President, I would hate to see the whole purpose of this very fine bill so greatly impaired as it would be if this particular amendment were included as a part of it, because I see no sizeable source of acreage to come under the conservation reserve or to remain in the conservation reserve if the amendment is adopted.

In conclusion, let me say that I cannot imagine anything more designed to bring heavy pressure upon the Secretary of Agriculture, and to require him to announce quotas on each of the crops I have mentioned and on a good many others, than this amendment. If the amendment is adopted, I can see Members of the Senate streaming in great numbers to the Secretary of Agriculture and pressurizing him to bring the particular crops grown in their States under the acreage reserve. It seems to me that is what would happen if this unwise amendment were to be adopted.

Mr. President, I hope the amendment will be rejected.

Mr. PAYNE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized for 2 minutes.

Mr. PAYNE. First, Mr. President, let me say that the door has already been opened to acreage-reserve programs in the case of two items which have been specifically mentioned. Furthermore, only when crops were found by the Secretary of Agriculture to be in surplus supply, and only when they were crops on which the imposition of acreage reduction would be considered feasible, would the amendment be applied.

In the first part of the wording of section 203, it is practically mandatory for

the Secretary of Agriculture to go into this program with reference to the basic agricultural commodities; but the amendment my distinguished colleague and I have submitted is, in effect, permissive; namely, that if the Secretary of Agriculture finds there are surpluses in the case of these crops, he may then set up an acreage-reduction program for them, so that they can go into the reserve program.

Finally, Mr. President, let me say that surpluses in the farmers' bins are just as much a part of the problem as are surpluses in the bins of the Commodity Credit Corporation. In my opinion, we are very definitely bailing out the Commodity Credit Corporation by means of this program, and I wish to see the farmers who do not ask for any support at all have some chance to have their surplus problems recognized.

Mr. President, if the Senator from Louisiana is agreeable, I am prepared to yield back the remainder of my time.

Mr. ELLENDER. I shall be glad to yield back whatever time may be left to our side.

Mr. PAYNE. I yield back the unused time on our side.

The PRESIDING OFFICER. All time is yielded back.

Mr. ELLENDER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Maine [Mr. PAYNE] for himself and his colleague [Mrs. SMITH of Maine]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DIRKSEN (when his name was called). On this question I have a pair with the senior Senator from Kentucky [Mr. CLEMENTS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oklahoma [Mr. MONRONEY] are absent on official business.

On this vote the Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Oklahoma [Mr. MONRONEY]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Oklahoma would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in his State.

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The result was announced—yeas 29, nays 58, as follows:

YEAS—29

Aiken	Ives	Neuberger
Allott	Jackson	Pastore
Beall	Jenner	Payne
Bender	Kuchel	Potter
Bricker	Langer	Purtell
Bush	Lehman	Smith, Maine
Capehart	Magnuson	Symington
Chavez	Mansfield	Wiley
Duff	McCarthy	Young
Green	McNamara	

NAYS—58

Anderson	George	Mundt
Barkley	Goldwater	Murray
Barrett	Gore	Neely
Bennett	Hayden	O'Mahoney
Bible	Hennings	Robertson
Butler	Hickenlooper	Russell
Carlson	Hill	Saitonstall
Case, N. J.	Holland	Schoeppel
Case, S. Dak.	Hruska	Scott
Cotton	Humphrey	Smathers
Curtis	Johnson, Tex.	Smith, N. J.
Daniel	Johnston, S. C.	Sparkman
Douglas	Kerr	Stennis
Dworshak	Knowland	Thurmond
Eastland	Long	Thye
Ellender	Malone	Watkins
Ervin	Martin, Iowa	Welker
Flanders	Martin, Pa.	Williams
Frear	McClellan	
Fulbright	Morse	

NOT VOTING—8

Bridges	Dirksen	Millikin
Byrd	Kefauver	Monroney
Clements	Kennedy	

So the amendment offered by Mr. PAYNE (for himself and Mrs. SMITH of Maine) was rejected.

Mr. O'MAHONEY. Mr. President, I call up on amendment relating to section 221 (a) of the bill, offered on behalf to the Senator from Georgia [Mr. RUSSELL], the Senator from Arizona [Mr. HAYDEN], the Senator from Virginia [Mr. BYRD], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from New Mexico [Mr. CHAVEZ], and myself, and I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming for himself and other Senators will be stated.

The CHIEF CLERK. It is proposed,*on page 23, before the period in line 22, to insert a colon and the following:

Provided, That the Secretary shall, prior to July 1, 1956, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this act which will require the making of expenditures prior to July 1, 1957; and, after July 1, 1956, no funds of the Commodity Credit Corporation shall be utilized for carrying out the purposes of this act.

On page 23, line 23, after "necessary to", insert the following: "carry out the purposes of this act, including such amounts as may be required to."

Mr. O'MAHONEY. Mr. President, this is a very simple amendment, and it requires only a very brief explanation.

I invite the attention of the Members of the Senate to section 221 (a) on page 23 of the bill. That section is entitled "Finance." It provides:

The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this act, including payment of costs

of administration for the programs authorized under this act.

That merely means that inasmuch as the act is to authorize a 4-year program, the Secretary of Agriculture shall finance the entire program out of the funds of the Commodity Credit Corporation, without asking for a dollar of appropriations from the Congress of the United States until the time comes to ask for an appropriation to restore the impairment of the capital of the Commodity Credit Corporation.

When the President sent his budget message to Congress in January of this year he asked for an appropriation of \$929 million plus for the purpose of restoring the impaired capital of the Commodity Credit Corporation.

Mr. HOLLAND. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. HOLLAND. I certainly agree with the distinguished Senator if it is his purpose to require that the soil bank expenditures should be made out of general funds.

I wish by my question to bring out the point whether any support-price operations are covered by the amendment and transferred from the Commodity Credit Corporation to the general fund.

Mr. O'MAHONEY. It was not my intention to have it cover anything except the soil bank expenditures. It may be that I have made a mistake, but I think not. It deals only with the soil bank.

Mr. HOLLAND. It applies only to that part of the pending measure which has reference to the Soil Bank Act, and the word "act" in the amendment refers to the act which is being amended by this particular title. Is that correct?

Mr. O'MAHONEY. The Senator is correct.

Mr. HOLLAND. I thank the distinguished Senator from Wyoming.

Mr. O'MAHONEY. The purpose of the amendment is that, in order to facilitate the operation, the Secretary of Agriculture, prior to July 1, 1956, or such earlier date as may be practicable, shall submit to Congress for immediate reference to the Committees on Appropriations a full program of all the operations. That is merely asking that information with respect to the program and the type of expenditure to be made under it shall be given to the Appropriations Committees.

Mr. CAPEHART. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. CAPEHART. Is it the purpose of the amendment to provide that the soil bank shall not be put into operation this year?

Mr. O'MAHONEY. Oh, no. I was saying that the language of the amendment is so designed as to make it possible to put it into operation as soon as may be possible.

Mr. CAPEHART. Is the Senator certain the effect would not be that the Secretary of Agriculture could not pay the soil bank expenses?

Mr. O'MAHONEY. I am absolutely certain of it.

Mr. CAPEHART. It will not in any way slow up the payments under the soil bank provision this year?

Mr. O'MAHONEY. Listen to the words of the amendment:

Provided, That the Secretary shall, prior to July 1, 1956, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this act which will require the making of expenditures prior to July 1, 1957.

Mr. CAPEHART. Does it also cover price-support programs?

Mr. O'MAHONEY. No; it does not. I answered that question just a moment ago when it was asked by the Senator from Florida. It refers to the Soil Bank Act, and to that act alone.

Mr. CAPEHART. But it still means that if Congress does not appropriate the money, there can be no soil bank payments this year.

Mr. O'MAHONEY. The Senator did not allow me to finish reading the amendment:

After July 1, 1956—

Mr. CAPEHART. That is, after we have gone home.

Mr. O'MAHONEY. No. I continue reading:

After July 1, 1956, no funds of the Commodity Credit Corporation shall be utilized for carrying out the purposes of this act.

Mr. CAPEHART. That would mean that if Congress does not appropriate the money between now and July 1, 1956, there will be no payments to the soil bank.

Mr. O'MAHONEY. But Congress will appropriate the money.

Mr. CAPEHART. Where is there a provision for the budget in the amendment?

Mr. O'MAHONEY. The budget is submitted by the President to the Bureau of the Budget.

Mr. CAPEHART. The budget has already been submitted.

Mr. O'MAHONEY. The Senator is apparently unaware of the method by which requests are made for expenditures

Mr. CAPEHART. I may be out of order, but I want to be sure that we do not deny the money necessary to pay the soil-bank beneficiaries this year.

Mr. O'MAHONEY. I would certainly have the same purpose as has the Senator from Indiana.

Mr. CAPEHART. The purpose of the colloquy is to make certain that the farmers understand that if they participate in the soil bank this year, there will be sufficient money to pay them immediately—not next year, but this year.

Mr. O'MAHONEY. If the Senator will permit me to make my statement, he will understand what I am trying to do.

The Secretary will have to make a thousand or two thousand contracts under the bill. When will he make them? He may not make them until September. They will not be made the minute the bill is signed.

Mr. CAPEHART. Those who want to come under the soil-bank program in the planting of corn will have to make their

applications within the next 60 days; otherwise, all the corn will have been planted.

Mr. O'MAHONEY. But the contracts will have to be written; and under the amendment it would be perfectly possible for the President, through the Bureau of the Budget, to submit an estimate and a request for an appropriation to carry out the program. I have no doubt in the world that the Committees on Appropriations would approve the request immediately. But they ought to supervise it. The Constitution of the United States provides, in very simple language, that no money shall be withdrawn from the Treasury except by appropriations made by law.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CASE of South Dakota. Is it not true that, under the language of the bill, between now and July 1, 1956, the Secretary could use capital funds of the Commodity Credit Corporation for all expenses of the program, including administrative costs?

Mr. O'MAHONEY. He could.

Mr. CASE of South Dakota. Is it not true also that the language does not strike out any part of section 226?

Mr. O'MAHONEY. That is correct.

Mr. CASE of South Dakota. So this is a proviso which will go into effect afterward.

Mr. O'MAHONEY. That is correct.

Mr. CASE of South Dakota. As I read the amendment, it does three things. First, it permits the Secretary to proceed at once to use Commodity Credit Corporation funds until July 1, 1956.

Mr. O'MAHONEY. Precisely.

Mr. CASE of South Dakota. But it provides that prior to July 1, 1956, the Secretary shall submit, for reference to the Committees on Appropriations, the full program or schedule of the funds which will be required after July 1, 1956.

Mr. O'MAHONEY. For all the corporation's operations.

Mr. CAPEHART. Is it certain he will have time to do that; and will he have had sufficient facts, knowledge, and experience under the act?

Mr. O'MAHONEY. If he does not, then the Senator from Indiana will have nothing to worry about.

Mr. CAPEHART. We do not know at the moment when the bill will be signed by the President.

Mr. O'MAHONEY. No.

Mr. CAPEHART. We do not know when the Senate will be finished with the bill, or when the committee of conference will be finished with it. Why should we tie our hands and deny to the farmers, particularly the corn farmers, the right to have payments under the soil bank?

Mr. O'MAHONEY. The Senator is mistaken. The amendment does nothing of the kind.

Mr. CAPEHART. I simply want to make certain that the corn farmers of Indiana, if they participate in the soil bank, will be paid for doing so this year. If the Senator from Wyoming can guarantee that under his amendment they will be paid, I shall be for it; otherwise, I shall have to be against it.

Mr. O'MAHONEY. I think that can be guaranteed; but if there were any doubt in the mind of any Senator, I should like to ask the Senator from Arizona, who is chairman of the Committee on Appropriations, and is also a cosponsor of the amendment, if he would have any objection to modifying the amendment on line 8 by changing the date when the use of Commodity Credit Corporation funds will be prohibited from July 1, 1956, to January 1, 1957, so that, in effect, the first appropriation under the bill would be for a half year, instead of for a full fiscal year. I think that would satisfy the Senator from Indiana.

Mr. CAPEHART. That would be very fine, except that I would likewise want to modify the amendment so as to provide that if Congress should not get around to appropriating money for the corn farmers, because they are going to plant almost immediately, the Commodity Credit Corporation, out of its funds, could pay them. If the Senator will modify his amendment to that extent, I will support it to that extent.

Mr. ELLENDER. As the language is now written, Commodity Credit Corporation funds can be used up to June 30. Any contracts made from now until June 30 could be obligated for payment from Commodity Credit Corporation funds.

Mr. CAPEHART. For contracts made up to June 30?

Mr. ELLENDER. That is correct.

Mr. CAPEHART. But if contracts are made after that date, Congress would not have appropriated money, and the farmers could not—

Mr. ELLENDER. The Commodity Credit Corporation will come to Congress for additional funds before final adjournment. Congress certainly can provide funds with which to operate the program.

Mr. CAPEHART. Mr. President, will the Senator from Wyoming explain the purpose of the amendment?

Mr. O'MAHONEY. It is to make certain that Congress will be appropriating the money of the taxpayers before it is spent, just as it does in the case of every department of the Government.

Mr. CAPEHART. Why not do that through an appropriation to the Commodity Credit Corporation, as is done in the case of support loans?

Mr. O'MAHONEY. Because this program involves an expenditure of about \$1,100,000,000.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator from Wyoming will state it.

Mr. O'MAHONEY. Do all the interruptions which have been made come out of my time, or should they not be assigned to the time of the opposition?

The PRESIDING OFFICER. The Chair regrets to advise the distinguished Senator from Wyoming that the interruptions will come out of his time. The Senator has not yielded to himself any specific period of time. Does he wish to do so?

Mr. O'MAHONEY. I should like to know how much time I have left.

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. CAPEHART. I am not in control of the time on this side of the aisle. If I were, I would yield the Senator an extra 5 minutes.

Mr. O'MAHONEY. I shall ask the distinguished minority leader if he will grant me 10 minutes, to compensate for the period absorbed by the questions.

Mr. KNOWLAND. As I understand, the Senator has used 17 minutes, so I will split the figure and yield 8 minutes of the time allotted to me.

Mr. O'MAHONEY. The Senator is very kind. I should like to yield a few minutes to the Senator from Arizona [Mr. HAYDEN].

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I beg the Senator's pardon. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. If there is any doubt, I think it arises from the fact that possibly some Senators have not recently read the pertinent paragraph in the bill. The paragraph in the bill clearly provides:

The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this act, including payment of costs of administration for the programs authorized under this act.

So I think the fears expressed by the able Senator from Indiana are met by the language in the bill. From an appropriation standpoint, I think the proposal offered by the amendment is clearly sound. Certainly we ought not indefinitely to require that the capital funds of the Commodity Credit Corporation be used for administrative expenses. Certainly such expenses should be subject to control by appropriations, as a part of the appropriating function of Congress.

Perhaps the date should be changed from July to January.

Mr. O'MAHONEY. I think I have a better suggestion. This I make off the cuff, as we say, for the approval of the chairman of the Committee on Appropriations.

I would modify the amendment by adding, in the last line, after the word "act," the following:

Unless the Congress has failed as of that date to provide funds for the continued operation, in which case, funds of the Commodity Credit Corporation may continue to be used until an appropriation is made.

Mr. CASE of South Dakota. Certainly something of that sort would be needed.

Mr. HAYDEN. That would make the amendment perfectly clear, it seems to me.

The PRESIDING OFFICER. Does the Chair correctly understand that the Senator from Wyoming has modified his amendment?

Mr. O'MAHONEY. No; I have made a suggestion of a modification, because I wanted the cosponsors of the amendment to understand what I was driving at. My modification was intended to meet the question raised by the Senator from Indiana.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. I should like to raise a question with the Senator. I have no particular objection to the theory that what is to be spent shall be provided through the normal appropriations channel. I think that is good fiscal practice. But because the problem is of such magnitude, I was wondering if the Senator would not agree to strike out, in line 3, "July 1, 1956," and insert in lieu thereof "February 1, 1957"; and in line 8, to strike out "July 1, 1956," and insert in lieu thereof "February 1, 1957."

That would give Congress an opportunity to be back in Washington, and would enable the Department to make its presentation without any likelihood of holding up the program. An appropriation could then be made in the normal way.

I think that would be perfectly sound procedure. We do not know when the bill will be cleared by the committee of conference and finally be cleared by the President.

Since the program is one of considerable magnitude, it seems to me that we would have established a principle, and at the same time we would not have placed upon the President an almost impossible burden.

Mr. O'MAHONEY. I shall be very glad to accept the suggestion made by the minority leader. Therefore, I modify my amendment in line 8 by striking out "July 1, 1956" and inserting in lieu thereof "February 1, 1957."

Mr. KNOWLAND. That change would also appear on line 3, would it not?

Mr. O'MAHONEY. Yes, also on line 3.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

The PRESIDING OFFICER. As the Chair understands, the Senator from Wyoming is modifying his amendment to substitute for the date July 1, 1956, which appears on lines 3 and 8 of his amendment, the date February 1, 1957. Is that correct?

Mr. O'MAHONEY. That is correct.

The PRESIDING OFFICER. The amendment will be modified accordingly.

Mr. AIKEN. Mr. President, I have no objection to the change in the date, because I think it is advisable to have Federal expenditures brought out into the open as much as possible, so the people will know what is being spent. However, the Commodity Credit Corporation had advised me that if the date were left in the amendment, the effect would be that it could not get the program underway in time.

Mr. CAPEHART. Mr. President, I congratulate the author of the amendment, the Senator from Wyoming, and I wish to say it is a good amendment as it is now written.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of my time if no Senator desires to speak on the amendment.

Mr. O'MAHONEY. It is my understanding there is a unanimous-consent agreement, so that the amendment may be acted on without a yea-and-nay vote.

Mr. HICKENLOOPER. Mr. President, I desire to understand this amendment clearly. I have been under a misapprehension, after reading the amendment. I do not know how the Senator has modified it.

Mr. O'MAHONEY. I have modified my amendment by advancing the date.

Mr. HICKENLOOPER. Does the Senator assure me it is the intention of his amendment that the funds of the Commodity Credit Corporation can be used for the institution of the program?

Mr. O'MAHONEY. Absolutely.

Mr. HICKENLOOPER. And, after the date mentioned, appropriations shall be made.

Mr. O'MAHONEY. Yes.

Mr. HICKENLOOPER. I am in thorough accord with the principle involved.

Mr. O'MAHONEY. The sentiment in favor of the amendment becomes more unanimous every minute.

Mr. HICKENLOOPER. As I had read the amendment, it would have completely precluded the operation of the program.

Mr. O'MAHONEY. Perhaps the Senator from Iowa thought it would do so.

Mr. HICKENLOOPER. I refer to the way the amendment read.

Mr. O'MAHONEY. The Senator has not read the bill.

Mr. HICKENLOOPER. Oh, yes; I have read it very thoroughly.

The PRESIDING OFFICER. The Chair understands all remaining time on the amendment has been yielded back.

Mr. KNOWLAND. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BENNETT. Mr. President, I call up my amendment, identified as 3-7-56-G.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to add the following:

TITLE VII—MISCELLANEOUS

SURVEY OF EXISTING SYSTEM OF GRADING MEAT

SEC. 701. The Secretary of Agriculture is authorized and directed to make a full and complete study of the existing system of grading beef, veal, lamb, and mutton, with a view to determining whether such system serves the best interests of both consumers and producers. In making such study, the Secretary shall give due consideration to problems of consumers and producers in the various regions of the country, and in the course of such study he shall use the services and facilities of land grant colleges wherever practicable. The Secretary shall report to the Congress at the earliest practicable date the results of his study together with such recommendations as he may deem desirable for improvement in such system.

Mr. BENNETT. Mr. President, I yield myself 10 minutes, although I may not use that much time.

The amendment is a very simple one. It would authorize and direct the Sec-

retary to make a full and complete study of the present voluntary Federal system of meat grading and to determine whether the present system actually serves the best interests of the consumer and the producer.

The Secretary would have the privilege of determining how the study would be made, but the amendment suggests that he give attention to the problems of the various regions in the country and, wherever practicable, to use the services of the land-grant colleges.

I suggest this because some of the land-grant colleges have already made a very substantial contribution to this basic problem.

As I have discussed the cattle problem with various producers, I have found there is a widespread feeling that our present system of beefgrading needs to be improved to aid our cattle producers. There are also indications that the present system does not fully reflect consumer preferences in meat.

I want to say I am not opposed to voluntary Federal grading. The Federal meatgrading program has rendered a service to our country. I merely feel that a study could result in improvements in the system. There are some indications that grading has become a market mechanism which often operates against the producer and does not give the consumers the type of meat they want. I do not pretend to know if this is true, but feel a study would help clarify the picture.

Studies which have been made indicate some interesting patterns and paradoxes. A University of Arizona survey in Phoenix found that consumers selected the Good and Commercial grades of beef because they preferred a limited amount of fat. Fifty-nine percent of the people selected the Commercial cuts of beef, the ones with the least marbling. The tests indicated that people were generally poorly acquainted with the United States grades of beef.

A University of Missouri survey found that St. Louis housewives were also relatively unacquainted with United States grade terms of beef. The same housewives picked Good or Commercial nearly half the time. As the Farm Journal for January 1956 noted, "The little woman just isn't picking out what we've long thought of as premium beef cuts." The Farm Journal reports a test in Denver in which 500 housewives expressed a decided preference for Good cuts, then Commercial, with Choice and Prime running last. Apparently, most people just are not interested in excessive fat.

An article in *Successful Farming* for March of 1956 discusses the trend to new meat types in beef. Already hog producers are striving for a leaner hog, in keeping with consumer trends.

Basically, the housewife or consumer wants leanness and tenderness more than anything else in meat. Most housewives would prefer boiling beef which comes from Good beef rather than from Choice, because of the higher proportion of lean to fat.

Since the housewife has just as much preference for the cuts from the lower grades, can she reflect this preference in

terms of price? Is the housewife preference carried back to the wholesaler and to the live cattle markets? How much opportunity does she have to reflect her preferences back to the primary producer in dollars and cents? Does the producer get a fair price for the kind of beef that consumers really want to buy?

The Senator from Utah is not an authority on beef or lamb grading, but he is intrigued by the situation, and since he comes from a part of the country which produces basically grass-fed cattle and finds those cattle effectively shut out from any markets, because, being grass fed, they cannot accumulate the kind of fat required to put them in a higher choice grade, he feels this might be a practical way to help the producers of meat.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield?

Mr. BENNETT. I should like to complete my statement, Mr. President.

The Department of Agriculture has already taken some tentative steps in this direction. The Senator from Utah realizes that and appreciates it, but one of the purposes of the amendment is to encourage the Secretary not to make another temporary study of the problem, but to look at all of its facets, and give us now, after more than 20 years, another complete overall review of the problem.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BENNETT. I am happy to yield.

Mr. CASE of South Dakota. This is, indeed, a good amendment. I hope it will be agreed to. I should like to ask 1 or 2 questions for the purpose of an interpretation of the amendment, should it become part of the bill.

I was wondering whether the term "producers" would include meatpacking establishments, as well as growers of livestock.

Mr. BENNETT. It was the thought of the Senator from Utah that it would not include anyone except those who were handling livestock as livestock, that it would not include the processors.

Mr. CASE of South Dakota. I was asking the question because in parts of the West there are several small packing plants, and their output is not sufficient to enable them to use the services of a meat grader throughout the full week of their operations. At one point I have in mind, particularly, there is an inspector who grades meat and inspects it for the purpose of sale to the Veterans' Administration hospitals in that area. He is accredited insofar as the Veterans' Administration is concerned, and he buys meat for at least two Veterans' Administration hospitals. Yet, under the current regulations, he is not recognized by the Department of Agriculture for the grading of meat which is sold to the general public. Consequently, this relatively small packing plant finds it necessary, if it wishes to offer graded beef to the public, to bring an inspector from a distance of from 300 to 400 miles. The plant has a chance of going in 1 or 2 directions to obtain an inspector; and

the inspector would go there for possibly 1 day's work a week. That would add as much as \$7 to the cost of handling each carcass. There is a federally accredited inspector there, who grades and inspects meat for the Veterans' Administration facilities; and it always seemed to me that it was a little stuffy on the part of the Department of Agriculture to require that another grader be employed to grade the meat to be sold to the general public.

So I hope that the study of the regional problems will include a study of the regional problem faced by these isolated packing plants which do not have enough work to justify the employment of a meat grader full time. I hope that problem will be included in the survey.

Mr. BENNETT. In view of the legislative history the Senator from South Dakota has made, I am certain that the Department of Agriculture could take cognizance of that problem.

Mr. CASE of South Dakota. I think the Department of Agriculture would do so if the author of the amendment would say he hopes that would be done. But under the first answer the Senator from Utah gave to me, I am afraid the Department would not feel that it had such a responsibility.

Mr. BENNETT. I am anxious to keep the amendment within the framework of an agricultural bill. When we begin to deal with problems in regard to meatpackers, it seems to me—

Mr. CASE of South Dakota. But that situation affects the agricultural problem very much, because otherwise this particular plant—as its managers have indicated to me—probably will have to go out of the business of packing and processing beef. If that occurs, the regional market for the raisers of livestock will be weakened.

Mr. BENNETT. Mr. President, I am not so skilled in phrasing legislative proposals as is my colleague, the Senator from Wyoming [Mr. O'MAHONEY]. So I do not feel capable of developing the proper language for this purpose during the debate on the floor of the Senate.

Mr. CAPEHART. Mr. President, will the Senator from Utah yield to me, for a question?

Mr. BENNETT. I yield.

Mr. CAPEHART. Certainly this amendment applies to studying the methods of grading used by the processors, does it not?

Mr. BENNETT. I certainly would be willing to expand the amendment so as to have that included.

Mr. CAPEHART. I like the amendment, and I favor it 100 percent; and I think the amendment should be adopted. I had in mind offering just such an amendment. But I think the amendment must include processors, because the grading is really done after the animal is killed and becomes a carcass. That is when the grading is really done, insofar as the consumers are concerned.

Mr. BENNETT. That is correct.

Mr. CAPEHART. When the processor buys an animal, he buys it on the basis of his hope that when the animal is killed, when it is butchered, and after

it has been cleaned, it will come within a certain grade. So I think the amendment must include both an investigation and study of the grading methods used by those who buy from the farmers and an investigation and study of the grading methods used by the processors after the animals are processed and become carcasses.

Mr. BENNETT. Mr. President, the Senator from South Dakota has suggested that the addition of the word "processors," before the words "and producers," in line 10, on page 1 of the amendment, would take care of that situation.

Mr. CAPEHART. So at that point in the amendment, the words "consumers, processors, and producers" will be used?

Mr. BENNETT. Yes; "consumers, processors, and producers in the various regions of the country."

Mr. ELLENDER. Will that be in line 8?

Mr. BENNETT. No; in line 10, the bottom line on that page.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. BENNETT. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for an additional 5 minutes.

Mr. CAPEHART. Mr. President, will the Senator from Utah yield to me?

Mr. BENNETT. I yield.

Mr. CAPEHART. I have often thought, and I still think, that the Congress should make an investigation and study of the methods of grading meat, because I have my doubts as to whether the processors and the buyers of live animals do not find themselves in a squeeze—I shall put it that way, in order to be kind—and are not hurting the farmer—

Mr. BENNETT. Yes; I think that is correct.

Mr. CAPEHART. And are not cheating the farmer, if I may say so. For example, they buy 20 head of cattle, and say, "I think they will be 'prime'," whereas later it may be found that they are graded as "choice." Or the buyer may say, "I do not think these cattle will be 'prime'; I think they will be 'choice'." Then he buys them as "choice," but later they are graded as "prime"; or the buyer may buy cattle he thinks will be graded as "prime"; but when they are processed, the grader may say, "No, they are not 'prime'; they are 'choice'." So there is a twilight zone there.

Mr. BENNETT. And there always will be.

Mr. CAPEHART. There is a twilight zone in which I am not certain that the farmer is not being hurt.

Mr. BENNETT. One of the purposes of the amendment is to reduce the chances of such choices, so as to reduce the area of the twilight zone.

Mr. CAPEHART. Mr. President, I favor that; and I understand that the Senator from Utah will add the word "processors," so as to include the grading of the carcass, after the animal is butchered.

Mr. BENNETT. Mr. President, I am delighted to modify my amendment by adding the word "processors," before the words "and producers," in line 10 of the amendment, on the first page.

The PRESIDING OFFICER. The Senator from Utah has the right to modify his own amendment, and it will be so modified.

Mr. ELLENDER. Mr. President—

Mr. BENNETT. I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, the Senator from Utah is familiar with the price study recently made by the Department of Agriculture, is he not?

Mr. BENNETT. That is correct.

Mr. ELLENDER. I presume that the proposed study will be made by the Department of Agriculture, and that it will use funds it now has; and that in obtaining—as required by the amendment—help from the land-grant colleges, expenditures in addition to those now provided for will not be entailed. Is that correct?

Mr. BENNETT. It is my understanding that the Department does not feel that it is in a position at this moment—without having an opportunity to study the amendment—to say exactly how much this program would cost. But the largest estimate is that it might cost \$50,000 more than the funds the Department now has available.

Mr. ELLENDER. But the amendment does not contain provision for funds, does it?

Mr. BENNETT. No; the amendment provides an authorization; and the Department would have to obtain additional funds from Congress, if the Department could not find the necessary funds in its present appropriations.

Mr. ELLENDER. But the studies which were made in regard to price squeezes were, as I understand, made by the Department with funds it had on hand, and no special appropriations were made.

Mr. BENNETT. I would hope the Department could do the same in this case; and the Senator from South Dakota [Mr. CASE] has called my attention to the fact that the funds for this purpose might properly be obtained under section 221.

Mr. ELLENDER. I, too, express that hope, and as chairman of the committee, I wish to say I have no objection to the amendment.

Mr. O'MAHONEY. Mr. President, in my own time I should like to ask several questions of the Senator from Utah.

The PRESIDING OFFICER. The Senator from Wyoming has no time, unless time is yielded to him.

Mr. O'MAHONEY. I hope to obtain some time from the Senator from California.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, again I am grateful to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 5 minutes.

Mr. O'MAHONEY. Mr. President, if we do not get good legislation here, at least we get amusement.

Will the Senator from Utah be kind enough to examine lines 5 and 6 of the amendment? From them he will find that the study which he is asking to have undertaken will be of the existing system of grading beef, veal, lamb, and mutton. I assume that he meant by that the inspection system of the Department of Agriculture.

Mr. BENNETT. The Senator from Utah was not referring to the mechanical process by which individuals inspect the carcasses.

Mr. O'MAHONEY. I know that.

Mr. BENNETT. By the use of the word "system," he was referring to the standards.

Mr. O'MAHONEY. To the standards prescribed by the Federal Government.

Mr. BENNETT. The standards prescribed by the Department of Agriculture.

Mr. O'MAHONEY. That is correct.

Is it not a fact that there is some grading—if one is to believe the advertisements of the chain stores which sell meat—which is done by the chain stores?

Mr. BENNETT. It is the opinion of the Senator from Utah that we can legislate only with respect to Federal grading.

Mr. O'MAHONEY. I think we could ask the Secretary to make a study of the existing system of grading whether by public or private authority, and thus broaden his study.

Mr. BENNETT. Could that be accomplished by making the word "system" plural, without specifying them?

Mr. O'MAHONEY. I would rather say "by public or private authority."

Mr. BENNETT. The Senator from Utah has no objection to that modification.

Mr. O'MAHONEY. I hope the Senator will adopt that modification, so as to read "the existing system, by public or private authority, of grading beef," and so forth. The additional words would be inserted after the word "system." Will the Senator accept that modification?

Mr. BENNETT. I should like to discuss it briefly.

Mr. O'MAHONEY. Then allow me to make one or two further observations within my 5 minutes.

I think the suggestion made by the Senator from South Dakota [Mr. CASE] and by the Senator from Indiana [Mr. CAPEHART] is absolutely essential, namely, that the words "and processors" be inserted at the appropriate place, because this is a problem which affects the producer.

Mr. BENNETT. That is the man I was interested in.

Mr. O'MAHONEY. He is affected by the manner in which his live meat is processed; and the consumer is affected also by the manner in which the processor acts. Therefore I think it is very important to insert the words "and processors."

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. CAPEHART. It affects the consumer, because he wants honesty. He wants to know that he is getting exactly what is specified. It affects the farmer, because he wants his animals graded in the right category, so that he will get the right price, based upon whether they are prime, choice, utility, or commercial. The consumer wants to know that he is getting exactly what is specified, no more no less. But the problem is, Are the processors, the packers, paying the farmers the proper price for the grade of cattle they are buying from them? That is the question I want investigated, above everything else.

Mr. O'MAHONEY. The Senator from Indiana is quite right. We are in agreement.

Mr. BENNETT. We agree on that.

Let me comment on the Senator's earlier suggestion. The thing that worries the Senator from Utah about extending this investigation to cover all systems of grading is, first, the cost; and, second, the difficulties the Department might have in finding complete information. The language of the amendment is "a full and complete study." For example, what about a system used by a packer who does not use Federal grades, but who chooses to sell his meat under a private label? The Senator from Wyoming, in his comments, indicated that he has the impression that the chainstores do their own grading. It is the impression of the Senator from Utah that practically all the chainstores rely on Federal grading, and advertise that fact.

Mr. O'MAHONEY. I have seen several advertisements of some of the big chains which do not refer to the Department of Agriculture grading. They have their own system. It may be only a term of advertising, but I think if we are to do justice to the producer—and that is what the Senator wants to do—we must deal with the processor in everything he does, and with the distributor, who may have some system of grading.

Mr. BENNETT. That is the fear the Senator from Utah has. If he makes this investigation so broad that it covers all programs of grading livestock, the Department may say that it is impossible of administration.

Mr. O'MAHONEY. I have yet to see an investigation resolution passed by either House of Congress that did not order a full and complete investigation. How extensive the investigation finally turns out to be depends upon what develops, and what time members of the committee can give to it.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. O'MAHONEY. I hope the Senator from Utah will accept the suggested modifications.

Mr. BENNETT. Mr. President, how much time does the Senator from Utah have?

The PRESIDING OFFICER. The Senator from Utah has 16 minutes remaining.

Mr. BENNETT. The Senator from Utah would like to follow up the suggestion made by his colleague from South Dakota and modify his amendment so as to provide that—

The Secretary is authorized and directed to make a full and complete study of the existing systems of grading beef, veal, lamb, and mutton, with a view to determining whether such systems serve the best interests of both consumers, processors, and producers.

I hope that will be satisfactory to my colleague from Wyoming. The word "processors" will be added at the appropriate places.

Mr. O'MAHONEY. I think that will cover the situation, in view of the colloquy which has taken place.

Mr. BENNETT. Mr. President, I hold in my hand a number of telegrams which I have received from producers and processors scattered around the country, indicating their support of this amendment. I ask unanimous consent that they be printed in the RECORD at this point as a part of my remarks.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ALBANY, OREG., March 14, 1956.
Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.:

Believe it vital to the livestock and meat industry and also to consumers interest that Secretary of Agriculture be authorized to make an objective study of the Federal Meat Grading Service. Strongly urge legislation to this effect.

D. E. NEBERGALL,
President, Nebergall Meat Co.

PICO, CALIF., March 13, 1956.
Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.:

Urge a thorough study of the Federal meat grading system to determine if present system fills requirements. Believe it would be to the interest of producers and packers as well as consumers.

E. B. MANNING & SON.

SALT LAKE CITY, UTAH, March 8, 1956.
Hon. WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.:

Believe your proposed study on beef grading is a step in the right direction for the industry. We support you in this study.

EDWARD S. CRAWFORD,
Executive Secretary, Utah Cattle-
men's Association.

SALT LAKE CITY, UTAH, March 8, 1956.
Hon. WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.:

Approve of your proposed study on meat grading. Believe it offers possibilities.

ELDON K. BARKER,
Chairman, Utah State Department
of Agriculture.

SALT LAKE CITY, UTAH, March 7, 1956.
Hon. WALLACE F. BENNETT,
Senator, State of Utah,
United States Senate Building,
Washington, D. C.:

United States meat grading of lamb detrimental both producer and consumer. Seasonal changes make grading specifications impractical. Consumers object overfat lambs. Chain stores use only graded choice lambs. Lambs of good quality are vulner-

able. Uncertainty in grading means producer selling United States grades not lambs. We favor study meat grading careful division making survey.

JAS. A. HOOPER,
Secretary, Utah Woolgrowers.

WINNEMUCCA, NEV., March 7, 1956.
Senator WALLACE BENNETT,
Washington, D. C.:

Am in full accord with your bill relative beef grading. Believe revision very necessary.

RULON P. PETERSON.

MADERA, CALIF., March 9, 1956.
Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.:

Extremely important that a study be made of Federal grading service particularly with reference to consumer acceptance and its effect on livestock producers and feeders. Strongly urge enactment of proposed legislation to this effect.

CORNELIOUS C. NOBLE,
President, Nobles Independent Meat Co.

Mr. BENNETT. Mr. President, on that basis I am ready to yield back the remaining time.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. BENNETT. How much time does the Senator desire?

Mr. CARLSON. One minute.

Mr. BENNETT. I yield 1 minute to the Senator from Kansas.

Mr. CARLSON. I commend the Senator from Utah for bringing this question before the Senate this evening. I have received resolutions adopted at a meeting of the Kansas Livestock Association in Wichita last week, urging that the Congress enact legislation providing for such a study. The Kansas Livestock Association, as well as the farmers and livestock men of Kansas generally, not only favor legislation of this character, but stress the urgency of it. I sincerely hope the pending amendment will be agreed to.

Mr. BENNETT. I thank the Senator. Mr. President, I am ready to yield back the unused time.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the unused time of the opposition.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Utah [Mr. BENNETT], as modified.

The amendment, as modified, was agreed to, as follows:

At the end of the bill, add the following:

"TITLE VII—MISCELLANEOUS

"SURVEY OF EXISTING SYSTEM OF GRADING MEAT

"SEC. 701. The Secretary of Agriculture is authorized and directed to make a full and complete study of the existing systems of grading beef, veal, lamb, and mutton, with a view to determining whether such systems serve the best interests of both consumers, processors, and producers. In making such study, the Secretary shall give due consideration to problems of consumers, processors, and producers in the various regions of the country, and in the course of such study he shall use the services and facilities of land grant colleges wherever practicable. The Secretary shall report to the Congress at the earliest practicable date the results of his study together with such recommendations

as he may deem desirable for improvement in such systems."

Mr. BARRETT. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It is designated "3-8-56-J."

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to add a new title, as follows:

TITLE VII—IMPORT QUOTA ON WOOLEN FABRICS

STATEMENT OF POLICY

SEC. 701. The Congress hereby finds and declares that wool and woollen fabrics are strategic commodities, that it is important to the national welfare and security that a strong woollen manufacturing industry be maintained, and that for these reasons it is essential that a quota on imports of woollen fabrics be established for the protection of such industry.

ESTABLISHMENT OF QUOTA

SEC. 702. The quantity of woven fabrics, wholly or in chief value of wool, provided for in paragraphs 1108 and 1109 (a) of the Tariff Act of 1930, as amended, which may be entered, or withdrawn from warehouse, for consumption during any calendar year shall not exceed on a square-yard basis 5 percent of the production of similar fabrics in the United States during the preceding calendar year, as determined by the Secretary of Agriculture.

Mr. BARRETT. Mr. President, I yield myself 5 minutes. The purpose of the amendment is to provide an import quota on woollen fabrics. The situation at the present time is that over the period of the last 3 years more than 125 woollen mills in this country have been forced to close their doors. We find ourselves in a position where the imports of woollen fabrics have increased to such proportions that the producers of woollen fabrics in this country are unable to meet the competition from abroad.

I have before me a table showing the increases in imports, by square yards, from 1929 to 1955. I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fabrics wholly or in chief value of wool—
Pars. 1108 and 1109A

Year	Imports	Domestic production	Ratio
	Thousand square yards	Thousand square yards	
1929.....	18,775	432,211	4.34
1931.....	4,807	336,371	1.43
1939.....	12,092	481,509	2.51
1946.....	4,161	786,429	.53
1947.....	4,613	697,082	.66
1948.....	9,237	651,522	1.42
1949.....	8,917	526,758	1.69
1950.....	18,528	585,957	3.16
1951.....	18,698	508,647	3.68
1952.....	24,032	502,440	4.78
1953.....	24,275	437,000	5.55
1954.....	19,528	384,000	5.03
1955.....	¹ 29,532	443,000	¹ 6.66

¹ Estimated.

Mr. BARRETT. Mr. President, I call attention to the fact that since 1950 the imports have increased more than 100 percent. The purpose of the amendment is to provide that imports shall be lim-

ited to not to exceed 5 percent of the production, on a square yard basis, of the preceding year.

I call attention to the fact that for a long period of years prior to 1952 the imports ranged from less than one-half of 1 percent up to around 3½ percent. Therefore the 5-percent average is a fair and reasonable figure.

Furthermore I call attention to the fact that at the trade-agreement convention held in Geneva in 1948 this decision was arrived at:

The right is reserved by the United States to increase to 45 percent the ad valorem part of the rate on any fabrics which are entered in any calendar year in excess of an aggregate quantity by weight of 5 percent of the average annual production of similar fabrics in the United States during the 3 immediately preceding years.

I submit that under the existing Trade Agreements Act 5 percent is considered to be a figure beyond which the imports should not go, and that some action should be taken to curtail the imports.

Therefore, Mr. President, it seems to me that the time has come when we must take some steps to protect not only the manufacturers of this country, over 100 of whom have been forced to close their doors, but also the skilled craftsmen employed in such factories, so that they will not be thrown out of employment. I do not know the exact number of employees in the woolen mills in the United States who have been thrown out of employment during the past 5 years, but I have been advised that it is in excess of 125,000.

It seems to me that the end result of the situation which exists at the present time is that we are exporting our jobs abroad, we are making employment for people in foreign lands, and we are suffering a terrific loss in this country.

Someone might inquire as to the interest of the Senator from Wyoming in this proposal. I must admit that we have no woolen manufacturers in Wyoming. However, the only customers we have for our raw wool are the American manufacturers. As a result, we must aline ourselves with them, so that we will have some customers to whom we can sell our raw wool. There is no other reason why I am interested in the proposal. Under the Wool Act, the United States undertakes to pay, from tariff receipts, the difference between the average price received by the wool producers of this country and 62 cents a pound. If much of the business continues to go abroad—that is, if our people buy more and more fabrics made in Japan and in other parts of the world—the price of wool will decline to the point where payments made by the Treasury out of tariff receipts will increase. Of course, it is to the best interests of our country that we reduce such payments as much as possible.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. CASE of South Dakota. The able Senator from Wyoming of course knows the purpose of the Wool Act very well, because he had a leading part in its en-

actment. The question which I should like to ask the Senator has practically been answered by what he has said with reference to the Wool Act. I should like to pose this question directly to the Senator.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. BARRETT. I yield myself 5 additional minutes.

Mr. CASE of South Dakota. Does not the Senator feel that it would leave the Government in a very inconsistent position if, after the enactment of the Wool Act, which was passed by Congress under the recommendation of the administration, with very strong support in both Houses of Congress, and which set up a program for the domestic production of wool, it should turn around and permit the importation of wool to continue to the point where it would depress the market for raw wool?

Mr. BARRETT. The Senator from South Dakota is entirely correct. I may say that I have attempted to approach this matter on a fair and reasonable basis. I have not attempted to cut off the imports entirely. I have taken the figure which was accepted by the United States Government itself at the Trade Agreements Convention in Geneva in 1948. It seems to me that the time has come when the United States must step in and protect not only the producers of raw wool and the manufacturers; but also those who are employed in the plants which process the raw wool and manufacture fabrics from the raw wool.

Mr. CASE of South Dakota. And, if I may add, also to protect the policy of the Government itself in establishing the floor it has placed under the domestic wool price.

Mr. BARRETT. That is correct. Also to protect, as I said before, the Treasury of the United States, which also is concerned in this matter.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. BARRETT. I am glad to yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Is it not also true that wool and woolen goods are a critical war material?

Mr. BARRETT. The Senator from Pennsylvania is correct.

Mr. MARTIN of Pennsylvania. If we do not keep up the growing and manufacture of wool in the United States, in case of a worldwide war, our Army might not be properly clothed.

Mr. BARRETT. The Senator is correct. As everyone knows, the Senator from Pennsylvania has had a long and distinguished career in the armed services of the Nation. As the Senator himself knows, one of the factors which lost the war for Hitler and for Germany was that the Germans had to rely on synthetics, instead of on woolen fabrics.

Congress has declared as its policy that wool is a strategic and critical material necessary for the defense of America.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The Senator from Wyoming withdraws his

amendment. Are there further amendments to be considered this evening?

Mr. AIKEN. Mr. President, I should like to offer an amendment, to be discussed tomorrow. It is an amendment proposed by the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. WILLIAMS], the Senator from Florida [Mr. HOLLAND], and myself, which would eliminate the use of the dual parity formula permitted by the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from Vermont for himself and other Senators will be stated.

The CHIEF CLERK. On page 4, it is proposed to strike out lines 14 through 22, as follows:

PARITY FORMULA

SEC. 106. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: "as of any date during the 6-year period beginning January 1, 1950." The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with his recommendations, to Congress within 6 months after the enactment of this act.

The PRESIDING OFFICER. The amendment just offered by the Senator from Vermont will be the pending question tomorrow.

PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I should like again to call the attention of my colleagues to the fact that it is planned to have the Senate meet at 11 o'clock tomorrow morning and remain in session as late as 11 o'clock or 11:30 tomorrow night. We are anxious to finish the consideration of the farm bill. We think it is imperative that it be finished this week, and the earlier the better.

NEEDED: A MISSION 66 FOR NATIONAL FOREST RECREATION FACILITIES

Mr. BENNETT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared about the need for a mission 66 for national-forest recreation facilities, and an editorial on the subject from the Salt Lake Tribune of March 5, 1956.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENNETT

NEEDED: A MISSION 66 FOR NATIONAL FOREST RECREATIONAL FACILITIES

Our national-forest recreation areas are in danger of becoming national slums unless Congress takes positive remedial action immediately.

Because of insufficient funds, coupled with the meteoric rise in public use, forest sanitation and recreation facilities are woefully inadequate to meet existing needs. The resulting unsanitary conditions, unsatisfactory water systems and toilets, worn-out fire grates, and increased fire hazards in the overcrowded recreation areas are imperiling the Nation's health and safety. Mean-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

March 16, 1956
March 15, 1956
84th-2nd, No. 46

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HIGHLIGHTS: Senate continued debate on farm bill. Senate agreed to conference report to extend school milk and brucellosis programs to end of this fiscal year. House committee reported second supplemental appropriation bill for 1956, including items for this Department. House conferees were appointed on sugar act extension measure. Conferees, in executive session, agreed to file report on Colorado River storage project. House committee reported bill authorizing military construction utilizing agricultural funds, acquired through P.L. 480 operations. Sen. Johnston and Rep. Moss introduced and discussed bills to establish merit system of promotion for Federal employees.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. pp. 4290, 4312, 4324

Agreed to the following amendments:

- By Sen. Curtis, as modified, to provide for a Presidential Commission to prepare legislation to promote the industrial uses of agricultural products not needed for human or animal consumption. pp. 4324-36
- By Sen. Smith (N. J.), as modified, exempting wheat grown and consumed on the farm from certain penalties. pp. 4336-37
- By Sen. Mansfield, as modified, to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms. pp. 4337-39
- By Sen. Langer, to donate commodities acquired through price-support operations to Federal penal and correctional institutions, other than food products provided for inmates on a fee, contract, or concession basis. pp. 4340-41
- By Sen. Allott, to increase the authorization for the conservation acreage reserve program in the bill from \$350 million to \$450 million. pp. 4354-56

Rejected the following amendments:

- By Sen. Aiken, to eliminate the provision in the bill for the use of the dual parity formula, by a vote of 44 to 45. Motion to reconsider was laid on the table by a vote of 49 to 42. pp. 4290-4301
- By Sen. Welker, as modified, to provide that no agricultural commodity determined to be in surplus supply shall be produced on any land within any Federal irrigation project hereafter authorized, unless such land was used for the production of such commodity prior to the construction of the project. pp. 4301-19
- By Sen. Mansfield, to require the Secretary to institute purchase programs when the price of a commodity falls below a fair level (in the case of hogs, cattle, sheep and lambs, and poultry, when they should fall below 85% of parity) pp. 4339-40
- By Sen. Martin (Pa.), to strike out the section of the bill providing for price reporting and research on forest products. pp. 4341-46
- By Sen. Kerr, to allow the cattle raisers to set aside as a part of the acreage reserve enough acreage to bring their livestock into line with what the national consumption and demand require, by a vote of 24 to 63. pp. 4346-52
- By Sen. Morse, to strike out section 309 of the bill which requires a 15% State contribution to the cost of feed and seed furnished as disaster relief, by vote of 42 to 43. pp. 4352-54
- Sen. Capehart submitted and later withdrew an amendment to provide for an international food community board. pp. 4357-58
- Sens. Welker and Anderson submitted amendments intended to be proposed to the bill. p. 4362

2. SCHOOL MILK; BRUCELLOSIS. Agreed to the conference report on H. R. 8320, to provide additional funds for the school milk and brucellosis eradication programs through June 30, 1956, after rejecting a Hickenlooper motion, 46 to 48, to recommit the bill to the conference committee with instructions to insist on the Senate amendment. pp. 4312-24
3. PERSONNEL. Sen. Johnston inserted a newspaper editorial critical of CSC Commissioner Young's statement requesting that the Federal career service not be an issue in the coming political campaign. p. 4278
4. NOMINATIONS. Confirmed the nominations of Laurence Walrath and Donald P. McPherson to be Interstate Commerce Commissioners. p. 4269
5. FOREIGN AID. Received from the Comptroller General an audit report on United States assistance program for Iran. p. 4269
6. FORESTRY. Sen. Morse inserted his statement before the Senate Subcommittee on Department of Interior and Related Agencies, including remarks relative to the Forest Service budget. p. 4283
7. ORGANIZATION, LEGISLATIVE. Swore in William R. Laird, to succeed the late Senator Kilgore, as the new Senator from West Virginia. p. 4292

HOUSE

3. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 10004, the Second Supplemental Appropriation Bill, 1956 (H. Rept. 1897). p. 4265

Action on the items for this Department is indicated in the attached table. Following are excerpts from the committee report:

State agencies for carrying out the actual salvage projects. During the earlier years of the program, modest sums averaging about \$56,000 a year were appropriated but during fiscal year 1954 and fiscal year 1955, except for a small amount in the Table Rock area of Missouri, no such Federal funds were available. During this time, however, construction on Federal projects continued and there is, therefore, a large backlog of urgently needed salvage work and very little time left in which to accomplish it. It is a great credit to the many State agencies which have participated in this program that they did so with such willingness, often to the detriment of their own research programs.

Final reports are prepared on all phases of this work and published either by the Government or the local agency cooperating in the program. Materials recovered from the excavations are stored by the Smithsonian Institution and other agencies for exhibit and study purposes, and are available for display purposes in museums which may be built in connection with the completed water-control projects.

The material recovered by these excavations and surveys indicates how man lived in many areas of the United States over long periods of time.

One of the largest and most important river basins in the United States is that of the mighty Columbia River. In this basin the Dalles Reservoir area, which will be flooded by the waters of the Columbia River next year when the gates of the dam are closed, contains an archeological record of man's continuous use and habitation of this area which goes backward into the realms of prehistory as much as, and maybe more than, 10,000 years. Such a continuous occupation by mankind of one locality for such a long period of time is almost unparalleled in the Americas.

I digress to say that if the members of the committee could have sat with me and listened to Dr. Cressman the other day and recognized what a dedicated man I had before me, who devotes his life to the archeological program, I think you would agree with me that I should come here and make this plea this morning. There was a great education for me in what he unfolded in a 2½-hour conference. He described what is there and what is going to be lost for all of history if we in our time do not have the foresight to provide what, after all, is the very minimum amount of money that they need to really save this exhibit of history, because this is really an exhibit of the historical development of mankind in that area of our country.

Senator HOLLAND. Will the Senator yield? Senator MORSE. I yield.

Senator HOLLAND. I believe both members of the committee who are here today had the pleasure of going to Celilo Falls, which is what will be the basin of the dam, and saw something of the matter that the Senator is referring to.

It is true, it is not that the use of those falls will be completely done away with?

Senator MORSE. That is correct.

Senator HOLLAND. And that the historic use of those falls by Indian tribes, going back since way before the dawn of history, will cease when the dam is completed?

Is that one of the matters that the Senator had in mind?

Senator MORSE. That is correct.

I am not an anthropologist or archeologist but I can learn, and I learned from Dr. Cressman about a very rich, really a very rich, resource that is available to us if we can get these artifacts and these petroglyphs out before we flood them. As the Senator from Florida has just pointed out, that will be the case if we do not provide these men with money.

May I say this about the scientists?

They do not think in big terms of money. They are a very economical group. As I sat there and listened to Dr. Cressman, he stated, "We need this much for this digging and this much for this digging." They were very small amounts, but future generations of Americans will deeply appreciate our spending those small amounts before it is too late.

The earliest man of whom we know arrived in the Columbia Basin area at a time when the river flowed much higher than today, and the climate was much cooler. Evidence of his living there has been found in what was then a gully near the river, not far from the present city of The Dalles.

In excavating at this site, Dr. Cressman, of the University of Oregon, has found many materials of great research value.

Some of the finest carved and ornamented stonework recovered in America comes from the area around The Dalles. Family groups of Indians clustered along the banks of the Columbia. Some lived in semisubterranean pit houses, others in fancier plank houses much like the ones seen by Lewis and Clark in 1805 when they made their famous portage over Celilo Falls and the Long Narrows.

Among the many artistic achievements of these people are the unique and spectacular petroglyphs, or carved drawings, and the pictographs, or paintings, which they made on many of the large boulders and on the faces of the basalt cliffs along the river's edge. Many of these drawings are fanciful and imaginary, and their exact meaning is now unknown, but others are representations of the Indian's way of life, or portray the animals upon which the Indians depended for their livelihood.

Several days ago Senator NEUBERGER and I asked this committee to recommend \$30,000 for archeological salvage work in the river basin area above the Dalles Dam. However, since that time the Director of the National Park Service appeared before this committee and in answer to a question put by a member of the committee indicated that it would take \$169,000 to do the archeological salvage job during fiscal 1957 if we are to save a minimum of the historical and scientific materials and information presently available in a number of multipurpose dam areas outside the Missouri River Basin, including the Dalles. In view of this testimony I feel that the amount recommended by the House should be increased to a total of \$170,000. These priceless objects and sources of information will be lost through inundation if we do not act quickly.

PRESERVING PRICELESS ARCHEOLOGICAL RECORDS OF THE PAST

My attention has been directed to the very worthwhile suggestion of the Wasco-Dalles City Museum Commission that a museum of natural history be developed near the city of The Dalles. Such a museum would tell the truly magnificent story of the geological, archeological, and historical development of this part of the Columbia Basin. From the city of The Dalles one can readily see the great basalt cliffs rising on each side of the river several thousand feet high. Fifteen or twenty million years ago fissures opened in the earth and thousands of cubic miles of molten lava spewed forth, building up layer by layer. Much later, the Columbia River began to slowly cut a channel through the hardened lava. Helped by the erosional aspects of the Ice Age, an impressive gorge developed through which the Columbia now rushes on its way to the ocean.

Although the roaring river here will shortly be a tamed and quiet lake, a natural history museum in this area could tell with diagrams and models this fascinating story to each visitor. It could show to one and all how man learned to live with, and from, the river and how the early white settlers followed in the path of the Indians until today we not only can control the river but turn its forces

to producing the power and products which make this country one of the outstanding nations of the world. Future generations of Americans should not be deprived the privilege of learning the vicissitudes and hardships suffered by their forefathers who made it possible for us to pass these blessings on to them.

In line with the suggested establishment of a museum at The Dalles, I believe it would be helpful if the report of this committee were to suggest the use of approximately \$1,000 for a survey of the feasibility and desirability of such a museum, including a determination of whether it would be possible for the Federal Government to render financial assistance on the museum project.

May I say that I talked to Dr. Lee and Dr. Corbett on this matter and they pointed out that we would have to find out whether or not they would have jurisdiction in the national forests to participate.

It is within their jurisdiction, I admit, to make a study as to the feasibility and the \$1,000, it seems to me, is a small enough item to be favorably considered for authorizing such a study by the National Park Service.

In closing, I want to say with apology on my lips that I am sorry I took this much time but I felt that the factual material which I have inserted in the record this morning is due the committee and I thank the committee very much for the courtesy and the opportunity to present these views.

Senator CHAVEZ. The committee wants to thank the Senator for the instructive statement submitted this morning.

Senator MORSE. Thank you.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. GATHINGS, Mr. ABERNETHY, Mr. HOPE, Mr. AUGUST H. ANDRESEN, and Mr. HILL were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9064) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARY, Mr. PASSMAN, Mr. SIEMINSKI, Mr. MURRAY of Illinois, Mr. CANNON, Mr. CANFIELD, Mr. WILSON of Indiana, Mr. JAMES, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 3744) to amend an act of July 1, 1947, to grant military leave of absence with pay to substitute employees in the postal field service, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a joint resolution (H. J. Res. 582) making an additional

appropriation for the Department of Labor for the fiscal year 1956, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the bill (S. 3091) to amend the Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, so as to permit the disposal thereunder of Plancor No. 1207 at Louisville, Ky., and it was signed by the Vice President.

HOUSE BILL REFERRED

The bill (H. R. 3744) to amend an act of July 1, 1941, to grant military leave of absence with pay to substitute employees in the postal field service was read twice by its title and referred to the Committee on Armed Services.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 15, 1956, he presented to the President of the United States the enrolled bill (S. 3091) to amend the Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, so as to permit the disposal thereunder of Plancor No. 1207 at Louisville, Ky.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. AIKEN. Mr. President, the amendment which I proposed yesterday evening would strike out section 106 of the bill. This section provides that the basic commodities may have applied to them either the old or the new parity formula, whichever would result in the highest return in price supports for a particular year.

This provision of the bill, which we are undertaking to strike out, is inequitable, because it gives favored treatment to 2 or 3 basic commodities which are already in heavy Government ownership because of high supports given them during past years. We must remember this would favor only 2 or 3 commodities out of the more than 150 agricultural commodities grown in the country.

It would particularly affect the price of wheat. The transitional parity price of wheat this year is \$2.38. Assuming that there are no changes in costs and other factors, the parity price of wheat could drop to \$2.19 in 3 years under the modernized parity formula.

Mr. President, 2 days ago we approved a multiple-price system for wheat which guarantees to the wheatgrower 100 percent of parity for that part of the crop which is used domestically. If we also give to the producer of wheat the privilege of using the old parity formula based on costs and price relationships which prevailed from 1909 to 1914, 100 percent of parity for wheat would be \$2.51 a bushel.

In other words, Mr. President, the wheat producer would be guaranteed, under the multiple-price system, \$2.51 a bushel for that part of his crop which is used domestically, which would be, roughly, two-thirds of it, and that would amount to 70 cents a bushel above the present support price for wheat.

That would inevitably slow up the sale of wheat for domestic consumption. An increase of 30 percent or more in the price of wheat would undoubtedly turn some manufacturers of wheat products to the use of substitutes. It would mean, then, that there would be more wheat which would have to be sold on the feed market or on the foreign market. I think the result would be that, inasmuch as we are already selling all we can on the foreign market, the Government would still be the purchaser of a large percentage of our wheat crop.

It does not seem fair, Mr. President, to have a double standard of parity, the old parity formula for three commodities—although probably two of them would run together within the next 2 or 3 years—and another standard for all 150 other commodities, which are produced in this country.

The new parity formula is an improvement over the old one. It reflects the up-to-date supply and demand conditions. Certainly, up-to-date conditions should be reflected in fixing supports for the commodities which are causing our major surplus problems.

Mr. President, if we permit the use of the old parity formula in fixing the support price for wheat, it would be 103 percent of its parity price computed under the modernized parity formula which other commodities are required to use.

The law providing for the use of the modernized parity formula, including transitional parity based on the year 1949, was on the books when the 83d Congress met when we formulated the Agricultural Act of 1954, we realized that a sharp drop in the effective parity prices for the basic commodities would be from the dual parity formula to the new parity formula. The drop was more than we should expect the wheatgrower for instance, to take in 1 year. So, Mr. President, in the 1954 act we provided that transitional parity under the modernized parity formula would be based on the year 1955, in the case of the basic commodities; in other words, that there should not be more than a 5-percent drop in any one year in the changeover to the new formula. Otherwise, transitional parity, as it was in the law, would have allowed the change to full modernized parity prices in 1 year.

Mr. President, I believe the 1954 amendment should be permitted to become effective. I do not think we are going to do the wheat grower or the bill any good by demanding mandatory supports of \$2.51 a bushel for wheat when last year the supports were \$2.06 and this year they are \$1.81 a bushel. We have accumulated almost two billion bushels of wheat in this country, which is almost a 3-year domestic supply. I do not think we ought to encourage any further accumulation. I think the time

has come when, even though we do not do it all in 1 year, all commodities should use the same parity formula for the purpose of determining support prices.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from North Dakota [Mr. Young].

Mr. YOUNG. Mr. President, the producers of wheat have received more unfair treatment than have producers of any other farm commodity, both by way of unfair and inaccurate statements and in the treatment which they have received in connection with price supports.

In 1955 the wheat producers brought their production in line with outlets, or nearly so. There was a difference of only about 15 million bushels. In return for doing that, the Secretary of Agriculture reduced their price support to 76 percent of parity, and they have to continue their greatly reduced acreage. That is in great contrast to what has been done for cotton.

The Secretary of Agriculture tells the cotton farmers he will give them supports at from 86 to 87 percent of parity; and that he will prevent a further drop of cotton acreage scheduled to be about 1,500,000 acres, and will give the cotton farmers a good export program.

I believe this should be done for cotton. I believe it is wrong to help the cotton producers and do nothing for wheat, particularly when cotton is in a worse surplus situation than is wheat.

The modernized parity formula is the most cockeyed formula ever enacted by Congress. It uses as its major provision, in determining what is parity or a fair price, the average price of the previous 10 years. Let us consider applying that formula to labor. If the average wage of labor for the past 10 years was \$1.10 an hour, that, then, would have to be the fair price for labor in succeeding years.

Applying that formula to farm commodities, if the price of a commodity was low for a 10-year period—wheat is a good example now; then that average of low prices would have to be the parity or the fair price for future years. Wheat was not in a very favorable position price-wise during the war.

My friend, the distinguished Senator from California [Mr. Knowland], who serves on the Committee on Appropriations, knows that in 1947 and 1948 a rider was attached to an appropriation bill providing that there should be no more exports of wheat when a minimum carryover of 150 million bushels was reached. Through one device or another, the price of wheat was held to about \$3 a bushel or less. At that time the Argentine was selling wheat for \$5 or \$6 a bushel.

The very fact that the price of wheat was held down all during the war and afterward, and the fact that that depressed price supposed to be the fair price for wheat, is part of the reason why the modernized parity formula is so objectionable.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. I congratulate the Senator from North Dakota. He is making a very sound, logical, economic statement in this connection. Would not the Senator agree with me that until at least we have had a series of peacetime years for the two forms of parity for wheat to adjust themselves, as they have for cotton, we should continue the dual program for all products?

Mr. YOUNG. I think so. When the modernized parity formula was first enacted, it was admitted by the sponsors that it was unfair to wheat and other commodities. They claimed that if we waited for only a few years, the two formulas would run together in price level; that is to say, parity as reflected under the modernized tariff formula and also under the old formula would be, in a few years, about the same. So we were asked to allow a little time. The House conferees at the time agreed to the proposal for dual parity—that is, to provide for the use of both parity formulas, whichever was higher, for a definite period of time, upon the assumption that the modernized parity formula in a few years would reflect a fairer price for wheat and other basic commodities.

Mr. MUNDT. There has been peace for only a very short time following the war in Korea. There has not been any period of sustained peacetime economics in which the two forms of parity could work toward each other or demonstrate themselves. It seems to me to be manifestly unfair now to deprive the farmer of the dual parity formula, at least until a peacetime record and tabulation can be developed to show where such a formula would lead.

Mr. YOUNG. That is correct. Cotton last year was under a 90 percent price-support program. This year it is supposed to be at 80 or 86 or 87 percent of parity. That would be the fair price or the average price in future years.

But wheat is at 76 percent of parity. That will become the average price or the fair price in future years. It is a completely unreasonable price.

Let me give another example. Potato farmers found it was possible to produce potatoes and make good money under a 60 percent of parity program. They made money under that program. Can Senators imagine a wheat farmer producing wheat at 60 percent of parity and making money?

I think the fair thing to do is to continue in effect the dual parity formula until the Secretary of Agriculture can establish a fair basis for determining parity.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield 1 minute to the Senator from Minnesota.

Mr. THYE. There is a similar parity situation relating to dairy products. If one takes the most recent 10 years, he will find that it will be many a year before the parity level will definitely increase the price of milk, because the price of milk is moving on a downward scale. That was true last year and the previous year, and it will be true this year. Several more years will have to pass before the so-called parity equivalent

for dairy products can possibly be raised.

Mr. YOUNG. Is it not true that practically every dairy organization in the Nation claims the parity formula is very unfair to it?

Mr. THYE. They need not claim it; we definitely know that to be so. The Secretary of Agriculture can announce higher parity equivalents or support prices in this calendar year; but even though he announces higher parity-support prices, he will not bring to the producer the returns which the producer received last year or the year before under a lower amount of parity equivalent. It is simply impossible to figure what will happen.

Mr. YOUNG. Mr. President, I hope the amendment offered by the Senator from Vermont will be defeated.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. I should like to ask the distinguished chairman of the committee whether, if the amendment should be adopted, it would not affect the so-called dual parity on all maximum acreage commodities, and not merely wheat.

Mr. ELLENDER. It would lower the support price.

Mr. CASE of South Dakota. Section 106 proposes to strike from section 301 of the present law the following, "as of any date during the 6-year period beginning January 1, 1950."

If that provision were retained, the law would then read:

Notwithstanding the foregoing provisions of this section, the parity price for any basic agricultural commodity as of any date during the 6-year period beginning January 1, 1950, shall not be less than its parity price computed in the manner used prior to the enactment of the Agricultural Act of 1949.

So it seems to me that the amendment strikes not merely at dual parity for wheat; it strikes at dual parity for any basic agricultural commodity. Is that not correct?

Mr. ELLENDER. That is correct; and on my own time, I shall try to explain that.

Mr. President, I yield myself 7 minutes. When the so-called modernized parity formula was first considered by the Senate in 1948, there was doubt as to whether or not modernized parity would be as beneficial pricewise to the producers of basic crops as the proponents of the new formula contended. In order to be certain that no losses would be sustained by the producers of the basic commodities, I, as a member of the Committee on Agriculture and Forestry in 1949, did not object to allowing the so-called modernized parity formula to be put into effect provided that for a period of 4 years, the parity price of the basic commodities would be the higher under the old and new formulas.

It was contended by the proponents of the new formula that certainly within 4 years the new formula would catch up with the old, and therefore it would be unnecessary to retain the old formula. On that assumption, the committee, and

the Senate, as well, adopted the so-called dual parity formula, under which the higher of either the old or modernized parity price would be operative.

At the end of 4 years, the predictions made by those who proposed the modernized parity formula did not materialize; the gap between parity prices as computed by the modernized and old parity formulas did not close.

So, in 1953, when the Congress again had farm legislation up for consideration, the Committee on Agriculture and Forestry recommended a 2-year extension of the dual parity formula feature of the Agricultural Act. Our purpose was to give the modernized formula more time to "catch up" with "old parity."

What is the situation now with respect to parity prices for the basics under both the old and the modernized formulas? Up to now they have not become equal. Modernized parity prices still lag behind. Particularly is that true with respect to wheat.

If the amendment should be adopted, it would mean another loss in income for producers of the basic commodities, wheatgrowers in particular. It would mean a small loss for cottongrowers. That might not be too harmful if the support level were high enough. Thus Mr. President, some members of the committee, including myself, would not raise too much objection to the elimination of the dual feature of the parity formula so long as the 90 percent of parity price support provision was in the bill. Since that 90 percent price support provision has been eliminated, the situation has vastly changed. As has been demonstrated during the course of this debate, because of the elimination of the 90 percent price support provision, cotton farmers would lose from 5 to 6 cents a pound, the wheat farmers as much as 46 cents a bushel, and producers of other commodities would also lose. If this amendment is not defeated, our farmers will only have more hardship heaped upon them.

Mr. YOUNG. Corn farmers will lose 16 cents. The growers of peanuts and other commodities will also lose. Is that correct?

Mr. ELLENDER. Yes. I shall put those figures in the RECORD shortly. In fact, I believe the record will show that the growers of every commodity except rice and tobacco will suffer a loss. We have already given a severe blow to the growers of most basic commodities by striking from the bill the 90 percent of parity price support provision.

Yesterday, during the course of the debate, we struck an additional blow at the cotton producers. Now again we are being asked to take a step that will reduce the income of our farmers, particularly the wheat farmers, to this extent: Under the modernized parity formula, the parity price for wheat would be \$2.19. Under the old parity formula it would be \$2.51, and under the transitional parity formula, which is in effect now for wheat, it is \$2.38. Thus, if transitional parity is applied to wheat in 1956, instead of dual parity as recommended by the committee, there will be a reduction of 13 cents a bushel in the

wheat parity price, as I arrive at the figure.

With respect to upland cotton, the new parity formula would reduce the parity price to 34.84 cents per pound; the old parity formula would permit the parity price to remain at 35.22 cents, so there is a reduction of 0.38 of a cent.

I think we are being asked to treat growers of these basic commodities unfairly; allowing full modernized parity to go into effect now would further reduce farm prices and farm income. I do not believe we should permit such drastic reductions all at once. I am very hopeful that the Senate will refuse to adopt the proposed amendment.

SENATOR FROM WEST VIRGINIA

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield to the majority leader.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Louisiana may yield to me for the purpose of suggesting the absence of a quorum, and that there may be a quorum call, so that the new Senator from West Virginia may appear and be sworn in, without the time being charged to either side.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that the certificate of appointment of the new Senator from West Virginia is available, and that the Senator from West Virginia [Mr. NEELY] is prepared to present the credentials at this time.

Mr. NEELY. Mr. President, I present the certificate of appointment, signed by Governor Marland, of West Virginia, designating as Senator from West Virginia William R. Laird III, to succeed the late Senator Kilgore.

The PRESIDENT pro tempore. The credentials will be read.

The credentials were read by the legislative clerk, and ordered to be placed on file, as follows:

STATE OF WEST VIRGINIA,
EXECUTIVE DEPARTMENT,
Charleston, March 13, 1956.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of West Virginia, I, William C. Marland, the Governor of said State, do hereby appoint WILLIAM R. LAIRD III, a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Harley M. Kilgore, is filled by election, as provided by law.

Witness: His excellency our Gov. William C. Marland, and our seal hereto affixed at Charleston, W. Va., this 13th day of March, in the year of our Lord 1956.

[SEAL]

WILLIAM C. MARLAND,
Governor.

By the Governor:

D. PITT O'BRIEN,
Secretary of State.

The PRESIDENT pro tempore. If the Senator-elect will present himself at the desk, the oath of office will be administered to him.

Mr. LAIRD, escorted by Mr. NEELY, advanced to the Vice President's desk; and the oath of office prescribed by law was administered to him by President, pro tempore, and was subscribed by the new Senator.

[Applause on the floor and in the galleries.]

THE SPECIAL COMMITTEE TO INVESTIGATE ATTEMPTS TO INFLUENCE, IMPROPERLY OR ILLEGALLY, THE SENATE, ETC.

Mr. KENNEDY. Mr. President, yesterday, when the Senator from Arkansas [Mr. McCLELLAN] outlined the program which he was planning to carry out as chairman of the special committee, I did not have an opportunity to comment on his statement. I should like to say the Senator from Arkansas took his appointment on the special committee only at the earnest request of the leadership. He accepted appointment as chairman most reluctantly, as a result of every member, including myself, asking him to do so. We are all in support of him as chairman and in support of the rules which he has placed in the RECORD. We are wholeheartedly in support of the program which he has outlined for the committee's future actions.

I think the Senate is fortunate to have him in that particular position on the special committee.

I thank the Senator for yielding to me.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished senior Senator from Oregon [Mr. MORSE].

The PRESIDENT pro tempore. The Senator from Oregon is recognized for 3 minutes.

Mr. MORSE. Mr. President, it was the expectation of the Congress, when the Agricultural Adjustment Act of 1949 was passed, that modernized parity and old parity would come together in about 4 years.

On August 10, 1954, the Senator from New Mexico [Mr. ANDERSON] expressed the view that old parity and modernized parity should draw closer to the same level if modernized parity were allowed to work.

As a matter of fact, the two levels of parity have not come closer together. Unless section 106 remains in the pending bill, the disparity will never be corrected.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the statement made by the Senator from New Mexico [Mr. ANDERSON] on August 10, 1954, which is to be found in the CONGRESSIONAL RECORD for that date, on page 13937.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. ANDERSON. Mr. President, in connection with the passage of the Agricultural Act of 1949, Congress adopted for the first time a formula called the modernized parity formula. At the time the formula was adopted the experts in the Bureau of Agricultural Economics testified before the Senate Committee on Agriculture and Forestry that within a 4-year period the old parity and the new parity would coincide. In other words, they testified it would not matter after 4 years whether we used the old parity or the new parity, because the two prices would come together. It was said that it would become effective 4 years after the passage of the act. We said if it will take 4 years to accomplish it, we will wait 4 years from 1949, and let it become applicable 4 years later.

To show whether we tried to keep faith with the people, at a later date it was pointed out to the Senate Committee on Agriculture and Forestry that these two prices were not moving together. Therefore Congress in June 1952 passed Public Law 585, which extended the parity for 2 more years. We said if they do not move together at the end of that time Congress will again take it up and try to make something out of it.

Therefore we do not have to act on it now. We can safely wait and trust Congress to find out what has taken place, because all during the year 1955 the present parity will be applicable, and the so-called double standard will also be applicable, whereby, if the modernized parity is more favorable, the farmer will get the benefit of it, and if the old parity is more favorable the farmer will get the benefit of that.

That goes on all through the year 1955. It is not until January 1, 1956, that the so-called modernized parity becomes effective, and then the transitional period takes over, and the amount is dropped only 5 percent a year.

Therefore I suggest that at this late hour we not spend time in a discussion of it, because it will be handled by the Senate and House Committees on Agriculture and Forestry during 1955, if the predictions of the officials of the Bureau of Agricultural Economics are not borne out.

I recognize what the Senator from Minnesota has suggested. He has suggested that the predictions of the experts have not proved true thus far. However, I believe they are working closer together, and I believe it is desirable to have the modernized parity work out. If it can work out in a normal fashion, that will be fine. However, Congress did exactly what it said it would do. When it did not work out properly, Congress extended the law. We can trust both Committees on Agriculture and Forestry to do it again. Therefore, I hope the Senate will not adopt the amendment.

Mr. MORSE. Mr. President, the modernized parity formula takes into account the market price relationships of all agricultural commodities in determining the parity price for those commodities. Thus, whenever the market price of a commodity decreases in relationship to the market price of all others, this decrease is reflected in the parity price for that commodity. Since the price-support program affects the mar-

ket prices received for the commodities being price supported, different levels of support for the basic commodities would tend to project this difference in the parity price for the basics. Thus, a lower level of price support for wheat, as compared to much higher levels of support for the other basic commodities, would tend to lower the modernized parity price for wheat, in comparison to the parity prices for the other basic commodities.

Mr. President, I have had some statistics prepared to show the effect of this amendment, if it were adopted, on some of the basic commodities. For example, it would have the effect of decreasing the farmer's cash price for 1956 on corn about 7 cents a bushel; wheat, about 10 cents a bushel; cotton, close to half a cent a pound; peanuts, almost seven-tenths of a cent a pound. In other words, the effect will be to reduce the prices of some of the basics, particularly in the case of wheat, and also in the case of corn, when we should be starting a program which will increase these prices, and thereby increase the purchasing power of the farmers for this year.

Hence, Mr. President, I think the amendment of the Senator from Vermont will have the effect of doing great injury to the farmers, insofar as their purchasing power is concerned.

Mr. AIKEN. Mr. President, I yield to the Senator from Florida [Mr. HOLLAND] whatever time he may require.

The PRESIDENT pro tempore. The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, I rise to make a brief statement in support of the amendment offered by the distinguished Senator from Vermont [Mr. ARKEN], on behalf of himself and other Senators.

It seems to me that if the bill is left in its present shape, without the adoption of this amendment, all of us will just be kidding ourselves, and no one else, with our oft-repeated protestations that we are trying to reduce surpluses and are trying to get agriculture back to some condition of normalcy under which it will again be producing in accordance with the demand.

This provision of the bill gives to producers of the various commodities affected the right to choose the highest of two price supports, that is, the ancient price support, which was fixed on the basis of the level of the years 1910-14, or the modernized parity rate, which, of course, is based upon present conditions, not only with respect to the particular commodity, but with respect to all commodities in the agricultural field.

Anyone can oppose this amendment who wishes to kid himself or the public by protesting that under the bill as now drafted we are trying to reduce surpluses and trying to bring order to agriculture, because that is exactly what he would be doing.

Modernized parity is based on mechanized production of agricultural products. It is built on the situation of agriculture in general under its present state of mechanization. To inject the factor of price supports on the basis of 1910-14

is not only completely unrealistic, but it affects the present situation much more severely than it would be affected if the 90-percent rigid parity price-support program, which has already been rejected by the Senate, had been written into the bill.

In the case of wheat, for example, the ancient parity system, if applied to the present situation, would allow a price support of 103 percent of that which would be allowed under the modernized parity system. I do not believe Members of the Senate need to be reminded that not only would that not bring about any reduction in our surpluses, but, instead, it would encourage the fullest possible production.

It would tend to build up further surpluses; and, what is even worse, would tend to impose a fatal handicap on the Secretary of Agriculture as he tried to carry out the empty mandate of another portion of the bill, to dispose of surpluses as rapidly as possible. He would have to dispose of surpluses against a provision of law which would require him to fix a price 5-percent greater than the support price, which would be at 103 percent of modernized parity, if the provision in the bill sought to be eliminated by the pending amendment were to remain in the bill.

It seems to me that wheat is being fairly treated. It is treated on a transitional basis, under which there is a differential of only 13 cents in the application of transitional parity, rather than complete, modernized parity at this time. If we were to overlook the fact that this particular part of the bill would do greater violence to the entire program than would be the case if we had left the 90-percent rigid price supports in the bill, and if we were to leave this provision in the bill, it would be notice to the entire country, not only that we did not propose to set our house in order with respect to production, but, in addition, that we proposed to create such a handicap against disposal of the surplus on hand and its prompt movement into consumption that the Secretary of Agriculture would find it virtually impossible to reduce the surplus.

The provision sought to be eliminated by this amendment should be eliminated, and I strongly hope that the amendment will be agreed to.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Minnesota [Mr. THYE].

Mr. THYE. Mr. President, the parity formula, or parity equivalent, is a very technical question that is most difficult to understand. Unless a Senator has endeavored to learn something about it, I can easily see how he could be confused, and could very well cast his vote without knowing what the full effect would be.

Let us consider the question of the parity equivalent with relation to dairy products. First, how was parity arrived at in the first instance, when the parity equivalent was applied to dairy supports in 1949 or 1950? I shall try to outline, step by step, just how the parity equivalent was arrived at.

In 1949, to support the price of dairy products, the Department of Agriculture devised a formula to be used in determining the dollars-and-cents support price. This formula represents the ratio between the price of all milk sold wholesale and the price of milk used for butter, cheese, and other manufactured dairy products, during the time from July 1946 to December 1948, or a ratio of 88.5. That became the yardstick by which to measure, in trying to determine what the price should be for surplus milk, or milk which went into manufacturing.

In the year 1954, the Department used a broader base. In other words, it used 1949 and the 30-month period, or the base period which had been established by taking the period from July 1946 through December 1948. The next year, the calendar year 1949, was also used in computing parity. The price in 1954, or the parity ratio, was 84.1. In other words, the yardstick used to measure parity had dropped 4.4.

In the year 1955, the Department added another calendar year, and that had the effect of dropping the ratio from 88½ down to 83.7.

In the calendar year 1956, the present year, the new base will result in a ratio of 83.3. Therefore, at the present time the support price for dairy products is \$3.15 per hundredweight. This represents approximately 77 percent of parity based upon a ratio of 88.5. However, based upon the 83.7 ratio, the \$3.15 represents 80.2 percent.

There is the misleading factor. It may be said that the dairy producer is receiving 80 percent, or 84.2 percent, but in reality he is not receiving the dollars and cents he received for milk 2 or 3 years ago.

I ask, Senators, has there been any reduction in the costs of the dairy producer who produces his own feed? Of course not. His costs of operation have increased. Therefore, it costs him more to produce 100 pounds of milk than ever before in history. Yet in the modernized parity ratio he is going down to a weaker position every year. That could continue until such time as we reached the point where the supply of milk would be inadequate to our domestic needs, and then the price would find its own level.

Mr. CARLSON. Mr. President, at the present time there are three kinds of parity formulas. We have the old parity, then we have the present modernized parity, and then we have the transitional parity. I have tried to study the proposals with respect to various parity formulas. I admit that they are very complicated and complex. I sincerely hope that Congress will sustain the committee's position and retain the section in the bill under which the Department of Agriculture is authorized to make a study and to report to Congress a modernized parity.

I shall not stand on the floor of the Senate this afternoon and say that the old parity formula is correct. I do not believe it is. However, I do believe there can be but one result from the transitional parity, and that is a complete downward trend in farm prices. We are placing the wheat, corn, and dairy farm-

ers on a parity price support that will make the foreign export market the domestic price for these commodities. In all fairness to these groups it should not be done.

There are several things that are involved in figuring parity. It is not just a simple matter of saying that parity is 82½ percent or 76 percent. Under modernized parity there is no way in which wheat can go up in price. There are many factors involved in arriving at parity for wheat.

The modernized parity formula takes into account the market price relationships of all agricultural commodities in determining the parity price for those commodities. Thus, whenever the market price of a commodity decreases in relationship to the market price of all others, this decrease is reflected in the parity price for that commodity. Since the price support program affects the market prices received for the commodities being price supported, different levels of support for the basic commodities would tend to project this difference in the parity price for the basics. Thus, a lower level of price support for wheat as compared to much higher levels of support for the other basic commodities would tend to lower the modernized parity price for wheat in comparison to the parity prices for the other basic commodities.

The market price for wheat is further adversely affected by the law with respect to marketing quotas and acreage allotments. The normal supply for wheat is an amount equal to domestic consumption and exports plus 20 percent thereof. However, the national acreage allotment for wheat must be an acreage which will produce a quantity equal to the requirements for domestic consumption and exports plus 30 percent thereof. Therefore, under the present production control system for wheat, more than a normal supply will always be produced. In contrast, the national acreage allotments for corn, cotton, and rice must be an acreage which will produce, together with carryover and imports, an amount equal to the normal supply for those commodities. The effect of these production control programs therefore is to produce a normal supply which would tend to stabilize market prices. In addition, under the flexible price support system, whenever total supply does not exceed 108 percent of normal supply in the case of cotton and peanuts, and does not exceed normal supply in the case of wheat, corn, and rice, the minimum price-support level is 90 percent of parity.

All I need to say is that the market price for wheat is further adversely affected not only by parity, but also by marketing quotas and acreage allotments. All those things enter into the picture. I say we should give serious consideration to having a study made of these problems, and I am sure I shall be able to support the result.

Mr. ELLENDER. Mr. President, I yield such time as the Senator from New Mexico may require.

Mr. ANDERSON. Mr. President, again I have very little to say on the attempt to restore a dual standard parity system in agricultural legislation. This system was adopted originally in 1949 when the House and Senate found themselves unable to agree in any other way. It was put in there after a long, long conference, in which we tried very hard to win approval for the bill the Senate had passed. The House had passed a 90 percent of parity bill. The House said, "Give us a chance to put these bills together within a reasonable period of time."

We adopted that suggestion. It was something that most people knew was wrong. It was a dual standard, which permitted either standard to be followed; that is, either the old or the new parity, whichever was desired. I should add that it was not nearly as serious then as it is now, in view of the provisions that have been added to the bill, and which, the Senate must assume, will likely remain in the bill.

I refer to the fact that a 2-price wheat system has been added to the bill, with a provision giving 100 percent support to wheat used domestically. If we are to have 100 percent support, plus the old parity scale, thereby wiping out the traditional steps in between, I believe we will come out with a rather high price, perhaps in the neighborhood of 50 cents a bushel more than would be the case by present laws.

Furthermore, I believe it will have an effect on our export programs. We have already been notified, in the discussions on international trade, that the British have announced they would not participate in another International Wheat Agreement. If Senators wish to know what the International Wheat Agreement means to us, they should begin counting up the 50 million to 100 million bushels that have been sold under that agreement.

Every time we add provisions like that, we make it just that much easier for the countries trying to move into our markets. We will not solve the problem by continually increasing the price of wheat at home. Wheat itself is in competition with many other products, and we have added to the bill now a two-price system on wheat, under the amendment of the Senator from Kansas. That was the judgment of the Senate. I did not vote for it, but that is now the judgment of the Senate, and we must assume that it will be carried forward in conference, and that the Senate conferees will insist on it.

The House has previously shown its enthusiasm for a two-price wheat system. Surely they will assume that the provision will stay in the bill. Therefore Senators who vote for the amendment should bear in mind that a return to the old parity system, without the transitional parity, coupled with 100 percent price supports, raises the price pretty high.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CARLSON. Mr. President, I concur in the statement of the Senator from New Mexico. Once the domestic parity is in effect, I will be the first to insist on removing it, but I think that until we get some further action we should be given some consideration.

Mr. ANDERSON. I am sure the Senator from Kansas must recognize the fact that the 100 percent parity provision is in the bill, and that we must go on the assumption that as long as it was also approved previously by the House, in the conference in 1954, and that the House has insisted for a long time upon the two-price wheat system, that the provision will be carried into the final bill. I believe it will be in the final bill.

I have tried to make some calculations on that point, here on the back of a copy of the bill. The Senator from Kansas may say these figures are not accurate, and he may be correct.

However, I took 550 million bushels, which is about the domestic consumption of wheat for food, and I multiplied that figure by 100 percent to get an average support. Then I took 450 million bushels for feed and export and multiplied that figure by 75 percent. I came out with an average figure of 88¾ percent, which will be the wheat support level under the two-price system.

Mr. CARLSON. I wish to state that I hope the figure is correct. I think it is. However, that could not go into effect until two-thirds of the wheat growers of the country by referendum put this program into effect.

Mr. ANDERSON. I am thinking of what the wheat growers will do about it. Personally, I think they will vote for it. I think they will go along with it. With the weather being good, and everything else working out, I hope one farm I operate will harvest 10,000 bushels of wheat this year. I felt a little bad for myself when I voted against the amendment of the Senator from Kansas. However, I do not believe we will help the wheat farmer permanently by adding to the bill a provision which will result in what I believe will be a price that is too high to move wheat.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield to the Senator from North Dakota.

Mr. YOUNG. If the provision in the Senate bill prevails and the dual parity formula remains in the bill, there will be a rise in the price support of about 11 cents a bushel. Therefore, I believe that the only thing in the bill that would directly help the wheat growers this year would be a provision that would give the wheat farmer 11 cents more a bushel.

Mr. ANDERSON. Yes. To be fair I believe I should say that is the only thing which might help the wheat growers this year. However, I believe that if the domestic plan is adopted, and put into the bill to provide for 100 percent supports, this act will have an effect on the wheat market, and I believe the possibility of such action has had a noticeable effect within the last few days.

Mr. YOUNG. It could not go into effect until next year.

Mr. ANDERSON. That was not my meaning. I know the provision cannot go into effect until next year. However, the announcement that the country has gone on a domestic support program would have a bullish effect on wheat.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. The Senator from North Dakota asked if there were anything else in the bill of benefit to the wheatgrower. There is the soil-bank provision in the bill. That is intended almost primarily to benefit the wheatgrower. He gets more benefit out of it than probably any other producer of agricultural crops. Then the Senator might recall also that we have raised the support price for oats, barley, and sorghums quite substantially. The price of sorghums has been raised by 50 cents a hundredweight.

Those are tremendous benefits for farmers who are planting small grains.

Mr. ANDERSON. I think that is true. I am trying to say to the Senate that I believe the adoption of the amendment offered by the Senator from Kansas did everything that should be done on the question of parity for wheat. We have already established a rather high parity for tobacco. That remains in the law year in and year out. We know cotton is likely to have a parity that will be 85 or 86 percent next year. We are now at a point of 88 $\frac{3}{4}$ percent for wheat. I think we should try to make the bill realistic so that we will not be asking the man in the White House to veto it. I imagine the President will sign the bill in its present form, but I am not sure that he will.

I have felt that the addition of a two-price system for rice was questionable. I did not object to its going into the bill, however, for it would give the Secretary a chance to test it in a very narrow area to see if it will work. We have a two-price system for wheat. I believe that those who have been contending for a long time that the two-price system will work should not now complicate the system by trying to change the parity base. I say that in all kindness to those individuals who have been trying to obtain a change in the parity ratio. I do not believe a dual system of parity is a good system. I did not believe it when it was put into the law. I yielded on the point in the last hours, when we were trying to reach an agreement. But that was in 1948.

Mr. President, I support the Senator from Vermont and other Senators in the belief that we should strike from the bill the dual parity feature.

Mr. ELLENDER. Mr. President, as I stated a while ago, the Senate has, during the consideration of this bill, whacked away bit by bit from the income of those producing basic commodities. First we struck from the bill the 90 percent of parity price supports, thereby reducing price support levels. As to cotton, we struck out the seven-eighths inch staple length as the stand-

ard grade, and substituted the average of the crop. As a result, the cotton growers will lose an additional \$10 a bale in price supports. We are now being asked to strike out the dual parity formula.

Mr. President, as was admitted by my good friend the junior Senator from New Mexico, the only provision remaining in the bill that will give the farmers who produce basic crops immediate relief is the higher price-support levels for their commodities that will result from reinstating the dual parity formula. As was admitted by the proponents of this amendment, its adoption will mean a reduction in the parity price on wheat for this year of 13 cents a bushel and in the long run it will mean reduction of as much as 32 cents a bushel in the parity price for wheat. It will mean a reduction of 38 hundredths of a cent in the parity price of cotton.

It is true that we have recently adopted the two-price system for wheat. I do not know whether the House will agree to this program for wheat, but if the House does agree, we can in conference modify the dual parity price formula, if that should be necessary to meet the situation. The entire bill will be in conference, Mr. President. It strikes me that we should not overlook any effort in order to provide some form of relief for those who produce the basic commodities.

Mr. President, the modernized parity formula about which my good friend from New Mexico spoke was supposed to turn the trick, as it were, in the last 6 years, but it did no such thing. On the contrary, it has in a measure depressed the prices of some commodities. The section which is now sought to be stricken from the bill includes a direction to the Secretary of Agriculture to make a thorough study of the possible methods of improving the parity formula and to present his report to us within 6 months. I think that opportunity to restudy the problem should be afforded the Secretary of Agriculture.

My hope is, Mr. President, that the amendment proposed by the distinguished Senator from Vermont and other Senators will not be adopted.

Mr. KERR. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. KERR. Has the Senator computed the cost to the American farmer if the Aiken amendment should be adopted?

Mr. ELLENDER. On wheat consumed in this country alone, the reduction in the price to be received by producers will be 13 cents a bushel. That is assuming that the two-price plan is finally enacted into law. On cotton the reduction will be 33 one-hundredths of a cent a pound in the support price times the total production of cotton. On peanuts it will be whatever support level is announced times seven-tenths of a cent a pound, times production.

Mr. KERR. The figure of seven-tenths of a cent refers to the difference in parity prices for peanuts, does it not?

Mr. ELLENDER. Yes.

Mr. KERR. And on corn the difference in parity price is 9 cents a bushel? Assuming that corn is supported at 81 percent of parity in 1956, the difference in support price for corn placed under loan would be about 7.3 cents per bushel? Is that correct?

Mr. ELLENDER. That is correct.

Mr. KERR. Would these figures be approximately correct, that the change from transitional to modern parity would cost the wheat farmers \$71.5 million, on that part of their crop consumed in the United States, assuming the two-price plan remains in the bill and that the loss to upland cotton farms would be over \$24 million for this year?

Mr. ELLENDER. I have not figured it out in that manner, but I am sure the Senator is correct.

Mr. President, I ask unanimous consent to place in the RECORD at this point a further explanation of the amendment, together with that part of the committee report dealing with the parity formula, and a memorandum on the same subject.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

This amendment would restore the use of transitional or modernized parity, whichever is the higher. Section 106 of the bill provides for use of old parity or modernized parity, whichever is higher. On the basis of January 15 data, adoption of this amendment would drop the parity price for wheat 13 cents a year, until it had dropped a total of 32 cents. Corn would drop a total of 18 cents a bushel, peanuts 2.2 cents per pound, and cotton about four-tenths of 1 cent per pound. The effect of this amendment can be seen from examination of table 6 on page 7 of the committee report.

SECTION 106. PARITY FORMULA

Section 106 would require the Secretary in the case of the basic commodities to use the old parity price or the modernized parity, whichever is higher. This section also directs the Secretary to make a thorough study of possible methods of improving the parity formula and report thereon within 6 months after enactment of the act.

A brief description of "old," "new," and "transitional" parity prices, and a table illustrating the effect of this section is set out below:

"1. Old parity prices are calculated by multiplying base period prices by a parity index. In the case of the basic commodities, except tobacco, the base period is August 1909 to July 1914. Hence, the base period prices for the individual commodities are the average prices received by farmers for those commodities during that period. The parity index is the unrevised index of prices paid by farmers, including interest and taxes.

"2. Transitional parity prices are the old parity prices decreased by 5 percent for each calendar year since 1955 in the case of basic commodities and 5 percent for each calendar year since 1949 in the case of nonbasic commodities. For 1956 transitional parity prices are 95 percent of old parity prices for basic commodities and 65 percent of old parity prices for nonbasic commodities.

"3. New parity prices are computed in much the same manner as old parity prices, using the parity index based on 1910-14, but the pattern of price relationships among the various commodities that existed in the immediately preceding 10 calendar years is used to determine the pattern of relationships among the parity prices of the individual commodities.

TABLE 6.—*New, old, or transitional and effective parity prices for selected basic and non-basic commodities, Jan. 15, 1956*

Commodity	Unit	New parity price	Old parity price	Transitional parity price ¹	Effective parity price ²	Parity price prescribed by sec. 106 of S. 3183
Basic commodities:						
Corn.....	Bushel.....	\$1.64	\$1.82	\$1.73	\$1.73	\$1.82
Cotton, American upland.....	Pound.....	.3484	.3522	.....	.3484	.3522
Wheat.....	Bushel.....	2.19	2.51	2.38	2.38	2.51
Rice.....	Hundredweight.....	5.42	5.14	.....	5.42	5.42
Tobacco:						
Flue cured, types 11-14.....	Pound.....	.534	.522	.....	.534	.534
Burley, type 31.....	do.....	.520	.506	.....	.520	.520
Peanuts.....	do.....	.114	.136	.129	.129	.136

¹ Transitional parity is not shown where the new parity price is the effective parity price. Transitional parity price in 1956 was 95 percent of the old parity price.

² The effective parity price is the new parity price or the transitional parity price, whichever is higher.

Attached is a table showing the old and new parity prices (1) for January 15, 1950, and (2) for February 15, 1956, for most of the commodities for which price supports are in effect.

What happens in the future with respect to the movement of old and new parity prices for any commodity will depend upon the changes in the relationship of the farm prices for that individual commodity as compared to prices received for all commodities for the 10-year period used to compute the new parity price. Each commodity will need

to be analyzed separately to determine whether the spread between the old and new will increase or decrease over a period of years. For example, in the case of cotton it would appear the new parity price will, within a relatively short period of time (possibly 2 or 3 years), equal or exceed the old parity price. In the case of wheat, corn, and peanuts, during the next 4 or 5 years it does not appear that the new parity price will equal or exceed the old parity price. However, there is some probability that the difference may narrow.

Comparison of "old" and "new" parity for Jan. 15, 1950, and for Feb. 15, 1956

Commodity	Unit	Jan. 15, 1950		Feb. 15, 1956	
		New parity	Old parity	New parity	Old parity
Mandatory basics:					
Wheat.....	Bushel.....	\$1.84	\$2.13	\$2.19	\$2.50
Corn.....	do.....	1.43	1.55	1.64	1.82
Cotton:					
Upland.....	Pound.....	.2771	.2988	.3472	.3509
American-Egyptian.....	do.....	.5779	.6111		
Peanuts.....	do.....	.0931	.116	.113	.136
Rice.....	Hundredweight.....	4.93	4.36	5.40	5.12
Tobacco:					
Flue-cured (11-14).....	Pound.....	.488	.463	.532	.520
Burley (31).....	do.....	.488	.448	.518	.504
Mandatory nonbasics:					
Butterfat.....	do.....	.690	.634	.717	.744
Milk, manufacturing (parity equivalent).....	Hundredweight.....	3.81	3.42	3.82	3.77
Honey, extracted.....	Pound.....	.165	.173	.152	.195
Tung nuts.....	Ton.....	100.00	None	80.40	None
Wool.....	Pound.....	.500	.441	.599	.518
Mohair.....	do.....	.660	.663	.781	.778
Nonmandatory nonbasics:					
Barley.....	Bushel.....	1.21	1.49	1.32	1.75
Oats.....	do.....	.809	.962	.843	1.13
Rye.....	do.....	1.47	1.74	1.65	2.04
Grain sorghum.....	Hundredweight.....	2.32	2.92	2.56	3.42
Flaxseed.....	Bushel.....	4.26	4.07	4.40	4.78
Soybeans.....	do.....	2.49	2.31	2.86	2.72
Beans, dry, edible.....	Hundredweight.....	8.32	8.12	9.02	9.54
Cottonseed.....	Ton.....	65.50	54.30	69.20	63.80

A MEMORANDUM ON OPERATION OF MODERNIZED PARITY FORMULA AS IT AFFECTS WHEAT

The modernized parity formula takes into account the market price relationships of all agricultural commodities in determining the parity prices for those commodities. Thus, whenever the market price of a commodity decreases in relationship to the market price of all others, this decrease is reflected in the parity price for that commodity. Since the price-support program affects the market prices received for the commodities being price supported, different levels of support for the basic commodities would tend to project this difference in the parity price for the basics. Thus, a lower level of price support for wheat as compared to much higher levels of support for the other basic commodities would tend to lower the modernized parity price for wheat in comparison to the parity prices for the other basic commodities.

The market price for wheat is further adversely affected by the law with respect to marketing quotas and acreage allotments. The normal supply for wheat is an amount equal to domestic consumption and exports plus 20 percent thereof. However, the national acreage allotment for wheat must be an acreage which will make available a quantity equal to the requirements for domestic consumption and exports plus 30 percent thereof. Therefore, under the present production control system for wheat, more than a normal supply will always be available. In contrast the national acreage allotments for corn, cotton, and rice must be an acreage which will produce, together with carryover and imports, an amount equal to the normal supply for those commodities. The effect of these production control programs therefore is to produce a normal supply which would tend to stabilize market prices. In addition, under the flexible price-support system, whenever total supply does not ex-

ceed 108 percent of normal supply in the case of cotton and peanuts, and does not exceed normal supply in the case of wheat, corn, and rice, the minimum price-support level is 90 percent of parity.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.
I yield myself another minute on the bill, Mr. President.

Mr. LANGER. Was the amendment discussed in the committee?

Mr. ELLENDER. Yes. Language to reinstate the dual parity formula is in the bill.

Mr. LANGER. And this amendment is to strike it out?

Mr. ELLENDER. That is the point.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of the Senate that House Joint Resolution 582, making additional appropriations for the Department of Labor for the fiscal year 1956, and for other purposes, has been reported unanimously by the Senate Committee on Appropriations. The distinguished chairman of the committee has urged me to bring this matter before the Senate at the earliest possible date, and has assured me that he knows of no controversy in connection with it, since it is reported unanimously by the committee. I talked to the distinguished minority leader, and later in the day I shall ask permission to call up the joint resolution, with the understanding that whatever time it takes shall not be charged to either side.

In addition, Mr. President, there is an urgent matter involving an increase in the appropriation authorization for the aircraft control and warning system, in which the distinguished Senator from South Dakota [Mr. CASE] is interested. There is a deadline of March 15. So far as I know, there is no controversy about it. Later today, after Senators have received due notice, we will ask unanimous consent to bring it up.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the Aiken amendment.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, I have not used all my time.

I wish to say that in spite of the discussion on the floor of the Senate, the retention of the dual-parity formula does not help in the cases of 150 of our farm commodities. It provides additional benefits for only approximately three of them, because the parity price for cotton is almost exactly the same under the old and under the new parity formula. Under the new formula, it will receive a little increase next year.

Mr. President, I wish to point out that the provision of the bill which we are seeking to strike out and which would be tied to the multiple-price program for wheat would give to the wheatgrowers of

this country \$2.51 a bushel for that part of the crop which is used domestically.

That means the Commodity Credit Corporation could not sell one bushel of wheat in its possession for less than about \$2.51, plus 5 percent, plus carrying charges. That would price wheat right straight out of our domestic market.

Then what would we do? Would we dump it into the feed market? Would we dump it into the foreign market? Where would it go?

If we combine these two provisions, we shall practically be eliminating 1 million, or 51 percent of all the wheatgrowers of this country, from the benefits of the law. They would have to sell their 136 million bushels of wheat on the feed market. One of our troubles now is the depressed feed market, due to the fact that the acres taken out of wheat and corn have been put into fed grains, which have just swamped the market.

If we should add 100 million bushels more of wheat—and no one knows how much more than that—to the already depressing surplus of feeds which we now have; if we should break the feed price even more, and also break the price of cattle and hogs, those results would be the worst thing that could happen to the beef producers of Colorado or the pork producers of Ohio, Indiana, and Illinois.

Do we want to do that? Do we want to guarantee the wheat grower an increase of 70 cents a bushel on his production, which the Federal Government would have to own, because it could not sell the wheat at that price? The Government is having trouble now selling wheat at \$1.75 a bushel.

That is what the provision of the bill would do when coupled with the provision which was adopted day before yesterday.

The million small wheat producers who have 15 acres or less and who produce wheat in rotation would not be permitted to vote on what happened to them. They would not be permitted to vote on whether they were to be exterminated from the wheat market or not. They would have to rely solely on the feed market to dispose of their production.

This, Mr. President, would be a fatal blow to our hopes for a good farm bill this year. We simply cannot allow such undue benefits to accrue to 1 group, which has already received \$800 million in subsidies in exports alone in the last 6 years. We have spent \$800 million to help unload wheat abroad; and while we have spent that sum, we have run up our total supply to 1,900,000,000 bushels. Why? Because to produce wheat for the Government pays better than anything else.

The corn grower is going to take it on the chin; the hog raiser is going to take it on the chin; the cattle raiser will find himself in a box. So will the producers of all the other commodities who are not the beneficiaries of high support prices. They have lowered their cost, and they are in a pretty healthy condition today as a result of that.

Mr. ELLENDER. I yield 1 minute on the bill to the Senator from North Dakota.

Mr. YOUNG. Mr. President, my patience with the Senator from Vermont

is about running out, his statements are often so inaccurate.

A moment ago a former Secretary of Agriculture, the distinguished junior Senator from New Mexico [Mr. ANDERSON], said that the domestic parity program would mean about an 88-percent price support for wheat. Eighty-eight percent of \$2.50 a bushel, which the Senator from Vermont admits to be the parity price, or \$2.51 a bushel. This would mean, under the dual parity formula, a price support of about \$2.21 a bushel. That is lower than the price was 2 years ago. It is a far cry from what the Senator from Vermont said.

I know the Senator from Vermont decries the fact that under the International Wheat Agreement the cost of the wheat disposal was something like \$800 million. But we have given away hundreds of millions, yes billions, of dollars' worth of other commodities under the Marshall plan. The International Wheat Agreement is a different program. Much of it took the place of the ECA and Marshall plan. Eight hundred million dollars does not seem so much when it is considered that this was over a 6- or 8-year period. In the last year, we spent more than \$700 million getting rid of dairy surpluses. I think it was proper that we did so. I think it was equally necessary to spend the money we have under the International Wheat Agreement.

Mr. ELLENDER. Mr. President, as I understand, no further time remains on either side.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. KNOWLAND. Mr. President, I yield 1 minute on the bill to the Senator from Kansas.

Mr. CARLSON. Mr. President, I had not intended to speak again on the amendment, but I was surprised to hear the statement which was just made by the distinguished Senator from Vermont. After all, I am accustomed to reading statements made in the press and elsewhere by persons who are not familiar with the farm programs and especially the wheat program. But when the Senator from Vermont complains about a wheat price which will destroy the wheat exports of this Nation under a domestic parity plan, it is simply contrary to what we heard said the other day. It was claimed the other day that if we adopted domestic parity for wheat there would be such a low price that wheat would be "dumped" on the world market and thus destroy our international trade on wheat and other farm commodities.

The statement made by the Senator from New Mexico [Mr. ANDERSON] that under domestic parity for wheat we should have an average support price of 88 percent of parity is about right.

I sincerely hope that no Senator will be misled by the fact that this program would bring the price of wheat up to a price that would prevent export. That is an amazing statement to be made on the floor of the Senate. The domestic parity plan would again let wheat be sold at competitive market. This will once again give the wheatgrowers a chance at former markets and reduce surpluses.

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I shall not take even that long. I simply say that this is an income-reducing amendment. It appears to me that if the desires is to reduce the farmer's income, the amendment should be adopted. But if it is desired to sustain his income, then we should retain the present language in the bill.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in connection with section 106, the parity-formula section, together with tables connected therewith, which explain what the section will do, not only this year, but also at the end of the so-called transitional parity period.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

FARM DEBATE, 1956—PARITY FORMULA
SECTION 106

Mr. President, we come now to the other half of the committee's action to stop the sliding scale of price supports. This section will continue the use of full parity as farmers have known it for nearly a quarter of a century, on the great basic crops of corn, wheat, and cotton, as well as on peanuts. This section also instructs the Secretary to make a thorough study of possible methods of improving the parity formula and report thereon, with his recommendations, to Congress within 6 months after the enactment of this act.

Mr. President, those who believed that the answer to the farmers' problems was the sliding scale of lower and lower prices did not stop with abolishing supports on some products and hoping to abolish them on still more.

They did not stop with just a vicious campaign to vilify the farmer before his city customers.

They did not stop with the sliding scale of supports which deliberately hurts farmers just when they need help, and which forces farmers to produce more to make ends meet.

They did not stop with all these measures. They went beyond them to tamper with the parity formula itself, in the effort to still further depress prices. By lowering parity for corn, wheat, and cotton, which are the backbone of our farm programs, the income for all of agriculture would be cut down.

Fortunately, this assault upon the whole principle of parity made by the 80th Congress was turned aside and postponed until this very year, by action of the 81st Congress. Efforts in the 83d Congress during consideration of the Agricultural Act of 1954 failed to extend the postponement beyond January 1, 1956.

If the so-called modernized parity for these great crops had taken effect when the 80th Congress leaders wanted it to, back in 1949 or 1950, the troubles of agriculture would be multiplied beyond what they are today, for reasons I will soon explain.

And if the 83d Congress, back in 1954, had listened to what we then said, farmers would not now be faced with this price cut which this section aims to retract and prevent.

The new, so-called modernized formula for wheat, corn, and cotton makes such a drastic cut in income that even the sponsors of this measure felt obliged to soften its terrible blow by providing for applying the reduction in smaller yearly installments. Thus they provided for an annual 5-percent reduction in parity and named this transitional parity, with this operation to begin with 1956.

This transitional parity is much like trimming a dog's tail inch by inch, instead of chopping it all off at once.

Just the drop in parity provided by this year 5-percent cut amounts to around \$450 million on the production of corn, wheat, cotton, and peanuts.

If loans are made at 90 percent as proposed by this bill, the loss under this 5-percent cut will be over \$400 million directly to producers of these 4 crops.

But the indirect cost to agriculture will be far greater. The corn loan is a basic factor in the price of all feeds, and the support level for corn thus affects the prices received by other feed producers, regardless of their loan levels for their feeds. And still greater, the support level for feeds is the greatest influence upon the output of livestock, poultry, and dairy products and therefore affects the prices for those products.

Cheap feed based upon a loan rate for corn which is low, leads to cheap livestock, dairy, and poultry products. So the loss will be far greater than \$400 million if parity is discarded and the 5-percent cut made actual this year.

That 5 percent represents 13 cents in the case of wheat, 9 cents for corn, \$14 per ton on peanuts, and nearly \$2 per bale on cotton. And with a 90-percent loan rate, the difference in loans would be 12 cents on every bushel of wheat, 8 cents on the corn crop, \$12.20 per ton on peanuts, and one-third of a cent per pound on cotton. The cut in cotton is not so great the first year, but more will come later.

But this is not the end of the trouble that is in store for American farmers if section 106 does not prevail.

Next year will see another 5-percent cut for wheat and peanuts, nearly that much for corn, and the preparing for greater reductions for cotton. With 90-percent loans, the difference in 1957 will be 23 cents for wheat, 15 cents for corn, \$25.20 per ton for peanuts, and one-fourth cent for cotton.

Assuming Congress has not yet acted, by 1958 these reductions in 90-percent loans will progress further, to 29 cents for wheat, 20 cents for corn, \$34.20 a ton for peanuts, and over a half cent a pound on cotton.

If we look as far ahead as 1959, the results will be still worse, always assuming Congress has not acted to give farmers a full and fair parity.

In that year, the difference between 90-percent loans at the parity level farmers have been using since 1933 and the one now hanging over their heads, is 32 cents a bushel on wheat, 26 cents a bushel on corn, \$34.20 a ton on peanuts, and nearly a cent a pound on cotton.

Mr. President, these drastic cuts in the income of our farmers must not be allowed to take place.

Consider what will happen to a corn grower with some 5,000 bushels for sale. Because of this 5-percent cut hanging over his head, in 1956 he stands to lose 8 cents per bushel or some \$400, just at a time when he can stand to lose it least. The 15-cent lower rate for 1957 would mean \$750 less, the 20-cent crop in 1958, a full \$1,000 less, and the 26-cent cut by 1959 would mean \$1,300 that year.

That would be a total loss for the 4 years of some \$3,450, in many cases equal to a year or more of net income with today's conditions. That is what so-called "modernized" parity would do to the corn producer, even with 90-percent loans.

The wheat grower would lose, if he had 3,000 bushels for market, similar amounts. 1956 would see a cut of \$360 due to the 12-cents-a-bushel lower rate. In 1957 the 23-cent cut would add up to \$690 for that year. By 1958 the 29-cent lower support would mean \$870 less, and in 1959, the 32-cent difference would come to \$960. That would be a total of \$2,880 for the 4 crops, again equal to a year or more of net income.

The loss for peanut growers would be as great, proportionately, as for the corn or wheat raiser. For the cotton grower, the losses would not be as heavy within this 4-year period but there could be much more to come later.

Mr. President, that is the sorriest aspect of this attempt to trim our farmers by shortening their parity yardstick. As if it were not enough to make drastic cuts in parity for these important crops that are at the very base of our farm program, this scheme may well lead to digging the grave of the whole parity idea, by continually lowering parity.

It would take more time and patience than we have at this hour to fully explain all the involved calculations upon which this misnamed "modernized" parity rests, but I must take time to indicate that it is a true "time-bomb" for farmers, and one which Secretary Benson should have been concerned about de-activating before it ever started to blow up.

This "modernized" formula does not put agriculture upon an up-to-date basis in measuring what is a fair price, a parity price.

It actually still uses the 1910-14 basis, but tinkers with it in such a way as to have the result of cutting agriculture even below the levels of that period. It further does nothing to insure that present-day farming costs are accurately measured, such costs being still estimated on the basis of what farmers bought before World War II. All it really does is to "adjust" downward the principal products which are supported, and to provide a means whereby this downward adjustment might go on and on, if support prices on these products were kept at low levels. Thus eventually the parity yardstick for corn or wheat or cotton might be only 2 feet long or even only 18 inches long, and the income of agriculture could shrink accordingly.

This process of cutting price supports by cutting parity is based on using a 10-year moving average as the means for adjusting parity. Nothing is changed from the 1910-14 basis for figuring parity except that the relationship between the various farm products that has prevailed in the most recent 10 years is substituted for that which prevailed back in 1910-14.

Thus any product which has had a below-average return for the past 10 years, as measured by what all farm commodities have been bringing, gets a new lowered adjusted base and consequently a lower parity.

On January 15, the lower parity was substantial for most crops except tobacco, rice, soybeans, and cottonseed, which at present show a slightly higher parity. Parity was also lower for chickens, turkeys, eggs, butterfat, and most fruits and vegetables. There was a slightly higher parity for milk and hogs, but only for four products was there any really large increase: Beef cattle, veal calves, lambs, and wool.

The following table gives the percentage change from old parity to new parity as of January 15:

Commodity:	Percent change
Hay.....	-31
Potatoes.....	-30
Eggs.....	-26
Grain sorghums.....	-25
Oats.....	-25
Barley.....	-24
Rye.....	-19
Peanuts.....	-16
Wheat.....	-13
Chickens.....	-13
Turkeys.....	-12
Corn.....	-10
Flaxseed.....	-8
Dry beans.....	-5
Butterfat.....	-4
Cotton.....	-1

Commodity:	Percent change
Milk.....	+2
Hogs.....	+2
Burley tobacco.....	+3
Rice.....	+5
Soybeans.....	+5
Cottonseed.....	+8
Wool.....	+15
Veal calves.....	+21
Beef cattle.....	+38
Lambs.....	+40

Mr. President, I want to repeat that this reshuffling for the different farm commodities does not result in anything more than the lowering of farm income.

The measurement of parity returns for agriculture are still made against the standard of 1910-14—the pie that agriculture is to divide is not made any larger than it was then. The pieces of pie, so to speak, going to the different commodities, are just altered in size, most being made smaller while a few are much bigger.

And it is because the cuts are made precisely in the products upon which our price-support programs rest, that this can spell progressive disaster for farmers. What good does it do if we, for instance, greatly increase parity for cattle or hogs but provide no price supports for them, while at the same time we lower parity for corn and thereby insure lower prices for livestock?

We could have parity on hogs at \$50 a hundredweight, but if we do nothing to help hog producers directly it is the corn loan which counts.

And if the price of corn is lowered by lowering parity for corn, then what matters to the hog producer as well as the corn producer is what is done to parity for corn. The combination of sliding, flexible loans and modernized parity could have resulted in corn support prices dropping way below \$1 per bushel. The modernized parity stands today 18 cents lower than what farmers have had, at \$1.64 instead of \$1.82, and it can drop and drop below this figure.

Mr. President, we have had during these last few years mandatory supports on only a few key products, plus some that are less important. As our farm law stands today, supports are sure only on the six basic products, plus the manufactured milk and butterfat products, wool, mohair, tung nuts, and honey. Disregarding the last three, please note that the modernized parity is 16 percent lower for peanuts, 13 percent lower for wheat, 10 percent lower for corn, 4 percent lower for butterfat, 1 percent lower for cotton, 2 percent higher for milk, 3 percent higher for burley tobacco, 5 percent higher for rice and 15 percent higher for wool. Only for wool can it be said that a substantial gain is made.

For milk products another part of this bill aims to prevent further cuts in the comparable parity price at which products are actually supported, which cuts have far offset this trifling increase in the parity price.

For the corn crop, backbone of the entire livestock, dairy, and poultry industry, a 10 percent cut is provided. For wheat, the largest cash crop over the years, a 13 percent cut. For cotton, only a small cut to begin with, but the possibility of large cuts as years go by.

That is why we say that unless and until we have an adequate support price under all our livestock products, such a modernizing of parity actually can do nothing but lower income for American agriculture.

We are in a low-income period for agriculture, which, if not corrected, will continue to lower the parities of those products which we are supporting.

This becomes a vicious circle, in which a low price results in a lowering of parity, a lower support, a still lower price, and a still lower parity.

If uncorrected, this very means of tampering with parity could become a principal means for permanently keeping agriculture far below parity, while the shorter yardstick would make it appear to city people that farmers were doing all right.

Now is the time to stop this vicious circle, before it goes any further.

That is the purpose of this section 106, to prevent automatic cuts in prices of principal products which would in turn bring further automatic cuts in the years ahead.

We make it mandatory for the Secretary of Agriculture to renew the study of what should be done to provide a truly modern and fair parity formula. Such a formula, no doubt, would use a more recent relationship between farm and city industry than 1910-14, but it would not overlook the tremendous change in the requirements for farming, such as our present formula does with its weightings for things farmers buy still based on the 1937-41 period.

Thanks to action by Congress, the Department of Agriculture is now at work gathering the facts upon which an up-to-date weighting can be carried out. That in itself makes this a favorable time to review the whole question of the adequacy of the parity formula. We ask in this bill that the Secretary devote the next half year to study of this important factor in farm prosperity. After studying so many subjects over so many years, we think it high time that this key subject be properly studied by him, so that we can act before agriculture falls farther and farther behind the rest of the Nation.

I think we can be confident that Congress will not again adopt a new parity formula with as little knowledge of what it may do to harm farmers as was the case in 1948 when this so-called modernized formula was adopted.

Perhaps it was the natural result of a desire for cheap feed on the part of those dairy and poultrymen who buy most of their feed, after having gone through 1947 when a corn crop failure on top of emptying our ever-normal granary to feed Europe brought the highest grain prices in history in early 1948.

That was a natural desire, although I should point out that those producers with the advantage of protected milksheds and firm Federal marketing orders suffered far less than farmers elsewhere from the corn crop failure.

But, whatever the reasons and hopes, it is a fact that not until long after it was passed was it recognized that a 10-year moving average could greatly depress agriculture, and to this hour no sponsor of this modernized parity has to my knowledge yet acknowledged this imminent danger. Maybe it is because they do not recognize that what makes for cheap food makes in the long run for cheap livestock, poultry, and dairy products.

Maybe that is why Governor Dewey, anticipating a great victory in November of 1948, cracked the whip and got this sliding-scale, cheapened-parity law passed in the first place in the early morning hours of Sunday before convention back in 1948. As a gentleman farmer in New York it no doubt appealed to him, but ever since then it has hung over the heads of farmers everywhere.

It is time we act decisively to remove this threat.

We have done so in this bill.

We have restored 90-percent supports.

We should not be taking back with one hand what the other gives, by using a cheapened parity on which to base the 90 percent.

This section will help to restore agriculture to its rightful position, and will prepare the ground for Congress to provide a new parity formula that is truly modern.

This section will put dollars into farmers' pockets that they should have, and it will aid in reducing surpluses by helping to eliminate cheap feed, the major cause of our present difficulty.

I for one do not want to have to answer to the voters this fall if Congress should decide to cut parity at the very time farmers are in such difficulties.

Let others take the responsibility for such a step, if it is taken.

Let others rise to explain how a farmer, caught as he is between low prices for what he sells, and higher and higher prices for what he must buy, should be required by act of Congress to take a still lower price for his products.

If we mean parity for agriculture, we had better not shorten the yardstick by which we are measuring that parity, especially not in a time of distress.

This section is a necessary part of any effort that sincerely wants to go even part of the way to make good on the harm done farmers these past few years.

This section, along with the 90-percent supports, must have the full support of the Congress.

Let others tell farmers they should take less.

Mr. President, I would like the RECORD to show at this point what failure to pass this section can do to the corn and wheat grower during the next 4 years, in dollars and cents for a typical producer. I should also like the RECORD to show what happens to parity under this modernized formula for the basic products of corn, wheat, cotton and peanuts in the next 4 years.

These figures are based on today's costs, and on the assumption that the loan price will influence returns to farmers about as it has in the past.

They are based on the further assumption that 1956 prices for all farm products will decline no further but will average the same as 1955, and that in 1957 and 1958 we will see a 15 percent and 20 percent increase, respectively. These are generous assumptions to make regarding farm prices. Further, these calculations assume 90 percent loans during the next 3 years. If loan rates are lower, then parity will be lowered further than here indicated.

Mr. President, I ask unanimous consent for the tabulations mentioned to appear at this point in my remarks:

Direct effect on gross receipts of reducing parity for typical corn and wheat growers, 1956-59

Year	Corn grower (5,000 bushels)			Wheat grower (3,000 bushels)		
	Loss per—		Cumulative loss	Loss per—		Cumulative loss
	Bush-el	5,000 bushels		Bush-el	5,000 bushels	
	Cents	Dollars	Dollars	Cents	Dollars	Dollars
1956.....	-8	-400	-400	-12	-360	-360
1957.....	-15	-750	-1,150	-23	-690	-1,050
1958.....	-20	-1,000	-2,150	-29	-870	-1,920
1959.....	-26	-1,300	-3,450	-32	-960	-2,880

NOTE.—Assumes 90 percent of parity loans.

Estimated effect of using transitional and "modernized" parity for wheat and corn for 1956-59¹

Year	Corn		Wheat	
	Old parity	New parity	Old parity	New parity
1956.....	\$1.82	\$1.73	\$2.51	\$2.38
1957.....	1.82	1.65	2.51	2.26
1958.....	1.82	1.60	2.51	2.19
1959.....	1.82	1.53	2.51	2.16

Footnotes at end of tables.

Estimated effect of using transitional and "modernized" parity for wheat and corn for 1956-59¹—Continued

II. 90-PERCENT LOAN

Year	Corn		Wheat	
	Old parity	New parity	Old parity	New parity
1956.....	\$1.64	\$1.56	\$2.26	\$2.14
1957.....	1.64	1.49	2.26	2.03
1958.....	1.64	1.44	2.26	1.97
1959.....	1.64	1.38	2.26	1.94

III. DIFFERENCE IN LOANS

	Cents per bushel		Cents per bushel	
	Percent		Percent	
1956.....	-8	-5	-12	-5
1957.....	-15	-9	-23	-10
1958.....	-20	-12	-29	-13
1959.....	-26	-16	-32	-14

¹ Assumes 90 percent loans for 1956-58; average farm prices for 1956 unchanged from 1955, up 15 percent for 1957, up 20 percent for 1958; and present parity index of costs.

² Transitional parity.

³ Actual minimum loans already announced: Corn, \$1.40; wheat, \$1.81.

Estimated effect of using transitional and "modernized" parity for cotton and peanuts for 1956-59¹

I. PARITY PRICES

Year	Cotton		Peanuts			
	Old parity	New parity	Per pound		Per ton	
			Old parity	New parity	Old parity	New parity
	Cents	Cents	Cents	Cents	Dollars	Dollars
1956.....	35.22	34.84	13.6	12.9	272.00	258.00
1957.....	35.22	34.96	13.6	12.2	272.00	244.00
1958.....	35.22	34.62	13.6	11.7	272.00	234.00
1959.....	35.22	34.31	13.6	11.7	272.00	234.00

II. 90 PERCENT LOAN³

1956.....	29.58	29.24	12.24	11.63	244.80	232.60
1957.....	29.58	29.34	12.24	10.98	244.80	219.60
1958.....	29.58	29.04	12.24	10.53	244.80	210.60
1959.....	29.58	28.76	12.24	10.53	244.80	210.60

III. DIFFERENCE IN LOANS

	Cents		Cents		Dollars	
	Percent		Percent		Percent	
1956.....	-0.34	-1	-0.61	-5	-12.20	-5
1957.....	-24	-1	-1.26	-10	-25.20	-10
1958.....	-64	-2	-1.71	-14	-34.20	-14
1959.....	-82	-3	-1.71	-14	-34.20	-14

¹ Assumes 90 percent loans for 1956-58; average farm prices for 1956 for all commodities unchanged from 1955, up 15 percent for 1957, up 20 percent for 1958; and present parity index of costs.

² Transitional parity.

³ Assumes change in loan to new basis as projected by bill, with 2½ cents lower loan due to this change, for cotton. If this change not made, difference in loan rates would be slightly different, with less drop in new parity

Income significance of extending old parity formula

COMPARISON OF OLD FORMULA AND 1956 TRANSITIONAL PRICES

	Unit	Old formula	Basis Jan. 15, 1956	
			Transitional parity prices	Difference
Corn.....	Bushel.....	\$1.82	\$1.73	0.09
Wheat.....	do.....	2.51	2.38	.13
Peanuts.....	Pound.....	.136	.129	.007
Cotton, upland.....	do.....	.3522	.3484	.0038

The equivalent farm-income loss in 1956 resulting from application of transitional parity prices in 1956 for the several commodities is:

	Unit	Price cut per unit	Billion units, 1955 production	Equivalent income loss
Corn.....	Bushel.....	\$0.09	3.2	Million \$288
Wheat.....	do.....	.13	.9	122
Peanuts.....	Pound.....	.007	1.6	11
Cotton, upland.....	do.....	.0038	7.3	28
Total.....				449

DROP IN PARITY PRICES FROM OLD TO NEW FORMULA

	Unit	Drop		Old formula	New formula
		Dollars	Per cent		
Wheat.....	Bushel.....	\$0.32	13	\$2.51	\$2.19
Corn.....	do.....	.18	10	1.82	1.64
Peanuts.....	Pound.....	.022	16	.136	.114
Cotton, upland.....	do.....	.0038	1	.3522	.3484

Mr. HUMPHREY. Mr. President, if there is a wish to reduce the total farm income in this country, I know of no one factor which would have more significance in doing so than the step which is being contemplated at the moment.

Furthermore, I think the amendment to section 106 of the bill, providing that the Secretary of Agriculture shall make a thorough study of possible means to improve the parity formula, meets with approval.

Mr. ROBERTSON. Mr. President, can the Senator from Minnesota cite figures showing how the income would be reduced?

Mr. HUMPHREY. At the end of the transitional period, for example, parity prices for wheat would be down 13 percent, or 32 cents a bushel.

Corn would be down 18 cents a bushel. Peanuts would be down a little more than 2 cents a pound.

Cotton would be down about three-tenths of a cent a pound, which is the full maximum.

In the first year, corn support levels would be down 7.3 cents; wheat, 10 cents; peanuts, about seven-tenths of a cent a pound; upland cotton would be down about three-one hundredths of a cent a pound.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ELLENDER. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

All time on the amendment has expired. The amendment will be stated.

The CHIEF CLERK. On page 4, it is proposed to strike out lines 14 through 22, as follows:

PARITY FORMULA

SEC. 106. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: "as of any date during the 6-year period beginning January 1, 1950." The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with his recommendations, to Congress within 6 months after the enactment of this act.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE (when his name was called). On the vote on this amendment, I have a pair with the junior Senator from Louisiana [Mr. LONG]. If I were permitted to vote, I would vote "yea." If the junior Senator from Louisiana were present and voting, he would vote "nay." Therefore, I withhold my vote.

Mr. BENNETT. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Utah is recorded as having voted in the negative.

Mr. BENNETT. I vote "yea."

Mr. GORE (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. Were he present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. GEORGE. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Georgia is recorded as having voted in the negative.

Mr. MCCARTHY (when his name was called). Mr. President, on this vote I have a pair with the Senator from New Hampshire [Mr. BRIDGES]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Louisiana [Mr. LONG] are absent on official business.

I further announce that if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent in his State. His pair with the Senator from Wisconsin [Mr. MCCARTHY] has been announced previously.

The yeas and nays resulted—yeas 44, nays 45, as follows:

YEAS—44

Aiken	Butler	Goldwater
Allott	Capehart	Green
Anderson	Case, N. J.	Hickenlooper
Barrett	Cotton	Holland
Beall	Dirksen	Hruska
Bender	Duff	Ives
Bennett	Eastland	Jenner
Bricker	Flanders	Kennedy
Bush	Frear	Knowland

Kuchel
Malone
Martin, Iowa
Martin, Pa.
Pastore
Payne

Potter
Purtell
Saltonstall
Smathers
Smith, Maine
Smith, N. J.

Stennis
Watkins
Welker
Wiley
Williams

NAYS—45

Barkley
Byrd
Carlson
Case, S. Dak.
Chavez
Clements
Curtis
Daniel
Douglas
Dworshak
Ellender
Ervin
George
Hayden
Hennings

Hill
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kerr
Laird
Langer
Lehman
Magnuson
Mansfield
McClellan
McNamara
Millikin
Monroney

Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Robertson
Russell
Schoeppel
Scott
Sparkman
Symington
Thurmond
Thye
Young

NOT VOTING—7

Bible
Bridges
Fulbright

Gore
Kefauver
Long

McCarthy

Mr. JOHNSTON of South Carolina. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from South Carolina is recorded as voting in the negative.

Mr. JOHNSON of Texas. Mr. President, may we have the regular order?

The VICE PRESIDENT. The clerk will recapitulate the vote.

The legislative clerk recapitulated the vote.

Mr. COTTON. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from New Hampshire is recorded as voting in the affirmative.

Mr. POTTER. Mr. President, how am I recorded?

The VICE PRESIDENT. The Senator from Michigan is recorded as voting in the affirmative.

Mr. JOHNSON of Texas. Mr. President, may we have the regular order? I demand the regular order.

The VICE PRESIDENT. A few days ago, when a request for the regular order was made, the Chair said it was usually interpreted rather liberally. However, the regular order has been requested.

On the vote on the amendment offered by the Senator from Vermont [Mr. AIKEN] the yeas are 44; the nays are 45. The amendment is rejected.

Mr. ELLENDER. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay on the table the motion to reconsider.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table.

Mr. KNOWLAND. On this question I ask for the yeas and nays.

The VICE PRESIDENT. The yeas and nays have been requested on the question of agreeing to the motion to lay on the table. Is there a sufficient second?

The yeas and nays were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Loui-

siana [Mr. LONG] are absent on official business.

I further announce that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Louisiana [Mr. LONG] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] and the Senator from Kansas [Mr. SCHOEPPPEL] are detained on official business. On this vote the Senator from Pennsylvania and the Senator from Kansas are paired. If present and voting, the Senator from Pennsylvania [Mr. DUFF] would vote "nay" and the Senator from Kansas [Mr. SCHOEPPPEL] would vote "yea."

The result was announced—yeas 49, nays 42, as follows:

YEAS—49

Barkley	Hill	Mundt
Bible	Humphrey	Murray
Byrd	Jackson	Neely
Carlson	Johnson, Tex.	Neuberger
Case, S. Dak.	Johnston, S. C.	O'Mahoney
Chavez	Kennedy	Pastore
Clement	Kerr	Robertson
Daniel	Laird	Russell
Douglas	Langer	Scott
Ellender	Lehman	Smathers
Ervin	Magnuson	Sparkman
Fear	Mansfield	Symington
George	McClellan	Thurmond
Gore	McNamara	Thye
Green	Millikin	Young
Hayden	Monroney	
Hennings	Morse	

NAYS—42

Aiken	Curtis	Martin, Iowa
Allott	Dirksen	Martin, Pa.
Anderson	Dworshak	McCarthy
Barrett	Eastland	Payne
Beall	Flanders	Potter
Bender	Goldwater	Purtell
Bennett	Hickenlooper	Saltonstall
Bricker	Holland	Smith, Maine
Bridges	Hruska	Smith, N. J.
Bush	Ives	Stennis
Butler	Jenner	Watkins
Capehart	Knowland	Welker
Case, N. J.	Kuchel	Wiley
Cotton	Malone	Williams

NOT VOTING—5

Duff	Kefauver	Schoeppel
Fulbright	Long	

So Mr. ELLENDER's motion to reconsider was laid on the table.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, when we recessed last evening there were 74 amendments pending. I asked the parliamentarian to find out how many of them were duplicates. He tells me that there are now some thirty-odd amendments at the desk. I should like to call that fact to the attention of individual Senators. In the event they decide not to call up their amendments, I hope they will withdraw them, so that we can plan our schedule accordingly. If many of the thirty-odd amendments are not to be called up, it may be that we will be able to avoid a session on Saturday.

Mr. CAPEHART. Mr. President, I have an amendment which I shall withdraw. Then I have another one, which I shall submit, which I shall take about 5 minutes to explain to the Senate. I hope that will help the Senator from Texas.

Mr. JOHNSON of Texas. I thank the Senator. If other Senators will emulate the very fine example set by the distinguished Senator from Indiana, I am sure we will make progress on the bill. [Laughter.]

Mr. WELKER. Mr. President, I call up my amendment 3-9-56-E, and ask that it be read.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 30, between lines 17 and 18, it is proposed to insert a new section, as follows:

FEDERAL RECLAMATION PROJECTS

SEC. 310. (a) No agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any lands within any Federal irrigation project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project.

(b) The Secretary of the Interior shall cause to be included, in all reclamation contracts entered into with respect to Federal reclamation projects hereafter authorized, such provisions as he may deem necessary to provide for the enforcement of the provisions of this section.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of subsection (a) during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation project" means any irrigation project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto).

Mr. WELKER. Mr. President, I appreciate the attendance of so many Senators. My amendment is a very short one. It is a commonsense amendment.

At the outset I should say that late yesterday afternoon I was recorded as not voting on the amendment designated "3-3-56-D" offered by the Senator from Minnesota [Mr. HUMPHREY]. I was in my office on official business, holding a hearing, and for some reason the bells did not ring there. I came to the floor as soon as I could. If I had been able to vote, I would have been glad to join in the unanimous vote in favor of the amendment offered by the Senator from Minnesota. I desired to make this statement for the RECORD.

Mr. President, my amendment is a simple one. As most Senators know, I have had some distinct ideas as to whether the soil bank will work. I hope and pray that it will work. My amendment, in effect, asks why we should be taking land out of circulation in order to do away with farm surpluses and at the same time have the Bureau of Reclamation bring in more land, and in that way increase surpluses.

The problem is very simple. If we are permitted to continue to bring in new lands, the soil-bank provision cannot and will not work. I have nothing to say about the projects already authorized. It would be very serious indeed for me to ask the Senate to adopt an amend-

ment that would affect that situation. The bill dealing with the upper Colorado storage basin is now in conference. Under any reasonable interpretation, the amendment cannot affect the upper Colorado River Basin with respect to bringing in new land. I am informed by most reliable sources, including distinguished colleagues of mine who have spent months and months working on the upper Colorado problem, that to bring in any new land there would take from 15 to 20 years, and that it would take at least 25 years to bring in all the productive land.

Certainly I have no objection to preparing for the day when we will need more farm products. However, while we are trying to cut surpluses and take land out of production, we should not at the same time bring in vast areas of new production land.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WELKER. I am glad to yield.

Mr. AIKEN. I should like to say that the Senator's amendment has a great deal of merit. I have no objection to its being added to the bill. In fact, the executive departments have been seriously considering the matter, and I see no reason why the Congress should not take action on the subject. I have consistently supported the development of new lands. However, that does not mean that every inch of new tillable land made available by irrigation should be promptly put to mass production during the first year. I realize that nearly all of the reclaimed land on which we are putting water will be needed within the near future for production. However, if we can develop our production program systematically, as the Senator suggests, undoubtedly it will have a much less depressing effect on the market than otherwise, and probably would have no depressing effect at all. I believe the amendment is a very good one.

Mr. WELKER. I appreciate very much the remarks of the distinguished ranking minority member of the Committee on Agriculture and Forestry. It is very fine of him to say what he has said.

Mr. WILLIAMS and Mr. WATKINS addressed the Chair.

Mr. WELKER. Mr. President, I yield first to the Senator from Delaware, who has been on his feet some time. Then I shall be glad to yield to the Senator from Utah.

Mr. WILLIAMS. I wish to join the Senator from Idaho in urging that the amendment be incorporated in the bill. I agree with him fully that it does not make sense for one Government agency to bring into production new land for the production of agricultural crops, while at the same time we seek to adopt the soil-bank plan, by which the Secretary of Agriculture would be authorized to pay for the removal of other surplus land. The proposal certainly can be described, as the Senator said, as a commonsense amendment.

Mr. WELKER. I appreciate the statement of my distinguished colleague, the Senator from Delaware, a member of the Committee on Agriculture and Forestry.

He is a commonsense man, and I am happy that he joins with me in this amendment.

Now, I shall be glad to yield to the distinguished Senator from Utah.

Mr. WATKINS. I did not hear distinctly the terms of the Senator's amendment. I call attention to the fact that in the House version of the Colorado storage bill, there is a provision which I believe the Senate conferees are willing to accept, and will accept.

This is the wording:

Provided further, That for a period of 10 years from the date of enactment of this act, no water from any participating project authorized by this act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

In what respect does the Senator's amendment differ from that? Is there a time limit in the amendment?

Mr. WELKER. No, there is not a time limit. It is left to the discretion of the Secretary. As a matter of fact, I think the rider attached to the upper Colorado Basin bill will answer every question involved, because as the senior Senator from Vermont said a few moments ago, we might not need new land within a period of 10 years. I am not worried about hurting the upper Colorado Basin people, because if that should happen I would be the first, when we needed additional agricultural products, to ask immediately that water be supplied to the productive land.

Mr. WATKINS. So far as the upper Colorado Basin land is concerned, I am quite sure it will not be producing any of the basic crops which are in surplus. It is expensive to produce that type of crops on irrigated land, particularly when we consider what we have to pay for reclamation project water. It is also a well-known fact that it takes many years to develop a reclamation project after water is once put on the land, particularly on new land.

I invite the Senator's attention to the fact that there is not more than 132,000 acres of new land in the project that will be applied to cultivation. It was felt that at least for 10 years the land will not be productive. Considerable water will have to be used to aid farms which now have a limited supply of water. At one time the farmers thought they had enough, but now they do not have enough. The project would supply supplemental water for those farms.

For the most part, they do not produce crops which are in surplus. They produce hay, forage crops, and such things. They produce some small grains, such as barely and oats, and some wheat, but it is not the type of wheat that is manufactured into flour. We are in a section where feeder cattle are produced and we need these additional forage crops. We grow many vegetables and some fruits.

But on the irrigated farms we do not produce any considerable quantity of wheat, and practically no corn. Of course we do not attempt to produce crops that are not of the type that are readily grown in that area.

I did not catch the complete terms of the Senator's amendment.

Mr. WELKER. Mr. President, I should like to have the clerk read my amendment again.

Mr. WATKINS. If it is in line with what has already been adopted on the House side, which I am sure the Senate conferees are willing to accept, I would not have any objection.

Mr. WELKER. Mr. President, may we have my amendment reread?

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). Does the Senator desire that the entire amendment be read?

Mr. WELKER. Yes, Mr. President.

The PRESIDING OFFICER. The amendment will be again stated.

The CHIEF CLERK. On page 30, between lines 17 and 18, it is proposed to insert a new section, as follows:

FEDERAL RECLAMATION PROJECTS

SEC. 310. (a) No agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any lands within any Federal irrigation project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project.

(b) The Secretary of the Interior shall cause to be included, in all reclamation contracts entered into with respect to Federal reclamation projects hereafter authorized, such provisions as he may deem necessary to provide for the enforcement of the provisions of this section.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of subsection (a) during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation project" means any irrigation project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto).

Mr. WATKINS. Mr. President, it is difficult to take snap judgment on an amendment of this type. In one sense it does not seem to be harmful; in another sense it might possibly be harmful. I might favor it if the amendment contained a time limit, the same as the House provision in the Colorado River storage project bill to which I have called attention.

Mr. WELKER. We just heard the distinguished ranking minority member of the Committee on Agriculture and Forestry say that we can soon have full production.

Mr. WATKINS. Of course, we hope the conference report will soon be before this body.

Mr. WELKER. If the Senator will permit me to interrupt him, I had hoped we would have it before us today so that we could sit down and talk the matter over. Time is of the essence in this matter. In my opinion, the amend-

ment is very simple, and I do not see how anyone can be hurt by it. My own State of Idaho is a great reclamation State, and I would hesitate to hurt that State as I would the neighboring State of Utah.

Mr. WATKINS. I have no objection to the general purpose of the amendment. I do not know whether any hearings were held on it. There were hearings in the House committee. The bill placed rather sweeping powers in the hands of the Secretary with respect to this project.

Mr. WELKER. I should like to ask a question of the Senator from Utah. Would it give him any comfort if I inserted after the word "hereafter", on line 5 of the first page, the words "after July 1, 1956."

Mr. WATKINS. Does the Senator refer to projects authorized after that date?

Mr. WELKER. Yes.

Mr. WATKINS. I would not object to that. Would the Senator be willing to accept the amendment which is in the House bill?

Mr. WILLIAMS. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I yield.

Mr. WILLIAMS. This subject was discussed in the committee. It does not think it will be found that the Secretary has any objection to the amendment; at least, he did not indicate any when he was before the committee. I think that if we fix a time limit comparable to that which the Senator from Utah has suggested, it would not be objectionable. We do not know how long the provision will be in force. It will function only so long as there are surpluses. The legislative intent is very clear. If the matter goes to conference, the conference committee can write in whatever necessary change may be pointed out as being essential to safeguard the intention of the Senator from Utah and the Senator from Idaho.

Mr. WELKER. I appreciate the Senator's statement.

Mr. WILLIAMS. I think the Senator from South Carolina is willing to accept the amendment on behalf of the committee.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. BIBLE. I have not had an opportunity to examine the amendment completely, but I am interested in some of the possible implications. The Committee on Interior and Insular Affairs has pending before it a so-called Washoe project bill, which will be, roughly, a multiple-purpose project for power, flood control, and some irrigation. It will furnish an additional, supplemental water supply for some 50,000 acres. It will bring into cultivation an additional 5,000 acres, which is a very small amount of acreage.

The crops grown in the two valleys to be served by the Washoe project are very much comparable to the crops to be raised on the lands to be served by the upper Colorado project. None of these crops at present are in surplus; they are largely fodder—alfalfas, hays, and timothies, none of which, to the best of my knowledge, is now in surplus.

But I have some question about the proposed section 310, paragraph (b), which reads:

The Secretary of the Interior shall cause to be included, in all reclamation contracts entered into with respect to Federal reclamation projects hereafter authorized, such provisions as he may deem necessary to provide for the enforcement of the provisions of this section.

I am wondering what that particular section might do as to the securing of satisfactory repayment contracts. It seems to me that a future condition precedent would be set, namely, that the Secretary of Agriculture must determine on October 1, each year, the particular crops which are in surplus; then the particular new land to be brought into cultivation would not be eligible. I feel the entire amendment needs more study and very careful analysis. I believe it has dangerous implications.

Mr. WELKER. The reason for the inclusion of paragraph (b) in section 301 was not only to provide some legislative history in regard to the matter, but also to show that we meant business; that, on the one hand, we did not want agricultural lands to be brought into production with the help of the Department of the Interior, while on the other hand we were removing from production lands that do not affect the Senator's State. Since I am from a State which is a neighbor of the Senator's State of Nevada, I cannot assure him what the effect will be on his State. But if there will be any harmful effect, then, as I said to the Senator from Utah in connection with his State, I shall be the first to help the Senator in alleviating any damage done to his State.

As I have said, this is a common-sense amendment. The American people are not going to stand for a so-called soil bank provision, which will take the land out of production at tremendous expense, and then, on the other hand, put land into production at tremendous expense.

I believe agriculture as a whole will grow as a result of this very simple amendment.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. KNOWLAND. I think there is considerable significance and perhaps some merit in the general theory which the Senator from Idaho is bringing to the attention of the Senate. But I think also there are some far-reaching implications in the amendment. I do not know whether they have been sufficiently studied by the appropriate congressional committees.

As I read the Senator's amendment, it provides, in paragraph (a):

No agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced—

That does not merely provide for withholding any benefit payments, but it lays down a mandate that the commodities shall not be produced. It may be that some commodity will be in long supply this year and next, while it may be in short supply 3 years from now.

It seems to me that the proposal would be placing in the hands of the Secretary

of Agriculture vast additional powers which perhaps more properly belong in the hands of the Department of the Interior in dealing with the reclamation project phase of the situation. I think some dislocations of the economy of the country might occur, which I am certain the distinguished Senator from Idaho would not want to see brought about.

It was for that reason that I was merely raising the question—the Senator having brought this proposal to the attention of the Senate—whether in the bill at this time, without an adequate study having been made, any such broad power should be conferred, such as the Senator seems to be giving to the Secretary of Agriculture.

Mr. WELKER. I appreciate the remarks of the distinguished minority leader. I believe, as was stated by the distinguished senior Senator from Delaware, that if an adequate study were made of the provision by the Secretary of Agriculture and the Secretary of the Interior, there would not be any conflict, and both of them could agree upon the intent of the Senate.

I have gone along with the agricultural people, but I have serious doubts as to the effectiveness of the soil-bank plan unless we come to a commonsense realization of our problem.

I have received from my State one petition with several thousand names attached, objecting to the idea of a soil-bank plan, at the same time, new land is being brought into production.

I ask the distinguished minority leader to reflect upon the fact that this proposal would not take effect for 10, 15, yes, even 25 years; but it would be a safeguard, and would keep the idea of throwing away Federal funds from reaching right into the Halls of Congress.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. JOHNSTON of South Carolina.

The committee held hearings on this matter, both in the field and in Washington. A great many Senators had the idea of putting into effect a plan similar to that which the Senator from Idaho has covered in his amendment. As I understand the amendment "hereafter" projects also are authorized. That being so, if the building of dams is to be authorized, their construction will require a great deal of time in the future. We must realize that.

But we must bear in mind also that in the bill itself we are trying to provide for a reduction of some of the surplus commodities. In order to do that, we are saying to the farmers who grow certain commodities "If you will stop raising this commodity or that commodity, the Government will pay you an amount of money equivalent to the value of the crop which you would produce on that land."

The question arose in my mind, and in the minds of a great many other persons, as to how such a program could be carried out, while at the same time Congress might be authorizing the farmers elsewhere to raise the commodities which already were in surplus.

I think the Senator's amendment is a very good one.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. GOLDWATER. I should like to ask the author of the amendment how a situation like this would be handled. In Arizona we have the Salt River Valley project. Suppose it were desired to extend the Salt River Valley project by another 20,000 acres under its irrigation system. Would not the Senator's amendment prohibit that?

Mr. WELKER. That is very true. It would, I believe, and I think it should. If not, the amendment is not worth the paper on which it is printed. After all, a soil-bank program is under consideration; let us not forget that. I am not sold upon the soil bank because, on the other hand, other surpluses will be brought into existence, and it is the surpluses which are causing the dilemma in the farm economy.

Mr. GOLDWATER. The Senator from Idaho knows as well as I know that the reason for the surpluses in this country is the high rigid parity-price supports; it is not the irrigated lands.

I strongly object to the language of this amendment. I agree with the minority leader that the general thought about the amendment is a good one, but it actually restricts the irrigated areas of the West to the sizes they are now.

The Senator used the word "hereafter." "Hereafter" is a long, long time. Most of our projects in Arizona are completed. We will probably have one more project completed in the State of Arizona, but we have been working on that project for almost 30 years.

I do not like to hear the Senator from Idaho suggesting that a neighboring State be penalized because of the actions of Congress, which for 10 long years, as I said before, has favored what I consider to be the stupid policy of high, rigid price supports.

Mr. WELKER. I appreciate the remarks made by my distinguished colleague from the State of Arizona and by other Senators. He is eminently right, but again I say we are going to have to be realistic in order to get a sound farm program or a sound farm bill. The American people—even the people in Arizona—are not going to "buy" the idea that they are going to have to dig down into their pockets to raise tax money to expand irrigation projects by 20,000 or 50,000 more acres when, by like token, we are talking today about the soil bank and about paying out billions of dollars again.

We have the assurance from the ranking Senator on agriculture that this is a temporary matter. We have the assurance of the distinguished leader on the other side of the aisle, who is handling the measure for the chairman—

Mr. GOLDWATER. Mr. President, will the Senator yield at that point?

Mr. WELKER. I yield.

Mr. GOLDWATER. I have heard on this floor time and again, and before I came to this body I read and heard time and again, about these temporary measures. I have never seen Congress enact

temporary measures. We have the Halls of Congress and the shelves of our libraries filled with temporary laws. The proposal uses the word "hereafter." "Hereafter" goes on and on and on. I say to the Senator from Idaho that I appreciate the thinking behind his proposal. I say I think the thinking has a lot of good to it. But why penalize the irrigated States of the West because of the mistakes made by the United States Congress? We are not adding to the surpluses. We are not producing crops in those States that are in competition with other crops, with the possible exception of cotton, and the Lord knows we do not grow the great amount of cotton which is grown in this country. But we would in effect be saying to Arizona, Utah, Colorado, California—

Mr. WELKER. And Idaho.

Mr. GOLDWATER. And Washington and Oregon and all of the western reclamation States—and there are 17 of them—"You fellows have done a good job of reclamation, but because Congress has been, in my judgment, a little careless with regard to high parity, you have to pay the penalty." I do not think the 17 Western States should be the whipping boy because of the mistakes made by the Congress.

Mr. WELKER. In answer to the statement of the Senator from Arizona, I do not believe he would want to leave the impression that I am trying to make the Western States the whipping boy of anybody. I think I love the West as much as anyone in the Senate. I certainly do not want to single out the Western States, whose citizens I know to be great people. They know the reason why we have these surpluses. They know the reason why we have this tremendous problem today. But I say if it is suggested that there be a time limit, I shall go along with that suggestion, so the citizens in the Senator's State will not be worried.

The PRESIDING OFFICER (Mr. McCARTHY in the chair). The time of the Senator from Idaho has expired.

Mr. WATKINS. Mr. President, will the Senator yield me 5 minutes?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Utah.

Mr. WATKINS. As I said before, I am in general sympathy with the amendment. However, I should like to read the first part of the amendment to show how sweeping it is and how it might apply:

No agricultural commodity—

Mr. President, may we have order?

The PRESIDING OFFICER. The Chair would like to make an inquiry of the majority leader. If he is against the amendment, he has control of the time.

Mr. KNOWLAND. Yes; I am in control of the time for the opposition.

Mr. WELKER. Mr. President, will the Senator in charge of the time for the opposition yield me 5 minutes?

Mr. KNOWLAND. I shall yield to the Senator, but I have yielded 5 minutes to the Senator from Utah.

Mr. WELKER. I thought we could limit debate if a definite time limit were fixed. I do not want the word "here-

after" to lose something for the people out in the West.

Mr. WATKINS. Mr. President, what I wanted to point out is that a time limitation alone would not cure the defects in the amendment. The amendment reads:

No agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any lands within any Federal irrigation project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project.

That is sweeping. It provides that nothing could be produced on that land. A number of farmers may be raising turkeys as one of their major crops, and may wish to grow a little wheat and corn to help feed those birds. Under the amendment, they could not do even that. The amendment is too sweeping. I think it needs more study. In Idaho the same thing would apply. If new projects are authorized, farmers on those lands may want to raise some animals. They will want to feed the few products they produce on that land to their animals, because that is one way they would have of making a living. The amendment also provides that the repayment contracts are to be rewritten. In other words, the amendment would force farmers to buy on the market some corn and wheat to help feed the turkeys they would be raising on the same land on which they would grow those crops.

They will want to raise their animals and feed them so they can sell them on the market, particularly those that are feeders. Grain may be needed to carry them over the long, hard winter.

The amendment goes too far. If it could be kept within bounds, I would not oppose it at all, because we have the same idea in substance as far as the Colorado River project is concerned, as shown by the language I read a few moments ago. That goes as far as it ought to go.

I do not disagree with the general principle that no more crops that would be in competition with surplus commodities should be grown. However, the amendment states that the farmers cannot produce such crops, so that the farmers can use them to fatten sheep, and perhaps pork, although there is not much of that kind of meat grown. But the farmers on the lands we are discussing will want to use the products grown on the farms right on their own lands. They may be a long way from the market and may not be able to afford to pay the cost of shipping. It may be too expensive to transport by truck to a railroad station. I do not think the Senator realizes what the amendment would do to us.

Mr. WILLIAMS. Mr. President, will the Senator from Utah yield?

Mr. WATKINS. I yield.

Mr. WILLIAMS. I point out to the Senator from Utah that the situation as he has described it is not quite accurate, for this reason: We are speaking now of lands that are not and will not be in production unless the United States Government, through the Inte-

rior Department, spends money to bring them into production. We are not speaking of farm families that will be deprived of producing crops. That land is not productive now. Why should we spend money to bring into production 20,000 acres in Utah, or some other State, that will produce crops which are in surplus, and then pay farmers in another State to take 20,000 acres out of production?

Mr. WATKINS. That is not what it does.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. WELKER. Mr. President, will the opposition yield me 2 or 3 minutes?

Mr. KNOWLAND. I shall be glad to yield some time to the Senator from Idaho, but I wanted also to yield time to the Senator from Arizona and the Senator from Colorado.

I yield 3 minutes to the Senator from Idaho.

Mr. WELKER. Mr. President, I have tried to be reasonable in this matter, because, as I say, it is a commonsense amendment. A moment ago we heard the distinguished Senator from Utah describe the upper Colorado Basin bill, which proposes to bring new lands into production. There is a protective feature in that bill which covers a 10-year period. The turkeys to which reference has been made are going to get thirsty and the chickens are going to get hungry, some time within the next 10 years, so, in a spirit of compromise, I am willing to go overboard and cut in half the limitation provided in the Colorado River Basin bill, and limit the time which would be covered by my amendment to 5 years. Does that make sense?

Mr. WATKINS. Well, that would help.

Mr. WELKER. Ten years is the period provided in the bill of the Senator from Utah. For the last 2 years the Senator has dedicated his life to bringing the Colorado River project into existence. He agreed to a period of 10 years in his bill. I am offering the Senator a 5-year period. I hope that will be satisfactory, because I hope and pray that when we have a sensible farm bill there will be no more surpluses.

The PRESIDING OFFICER. Does the Chair understand that the Senator from Idaho is modifying his amendment?

Mr. WELKER. I am willing to modify it if the opposition is willing to take the amendment. Otherwise I want a yea-and-nay vote, and I want a knock-down and drag-out settlement.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the senior Senator from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. President, I shall not take that long.

I desire to supplement and approve entirely what has been said by my colleague from Arizona [Mr. GOLDWATER] and by the Senator from Utah [Mr. WATKINS].

This amendment is utterly impractical; there is no way in the world to carry it into effect. It is simply a blanket prohibition that would interfere with my irrigation development of any

kind, so long as the amendment remained on the statute books. The amendment would require that such a provision be written into contracts affecting the land, and so forth.

It is only commonsense to say that if there is any new land coming in, it will not come in during the life of this particular bill.

Mr. WELKER. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. Mr. President, I am stating a fact.

Mr. WELKER. Mr. President, will the Senator from Arizona yield on that point?

Mr. HAYDEN. Yes.

Mr. WELKER. Does the Senator from Arizona think any new land should come in when we are taking land across the fence out of production?

Mr. HAYDEN. If the land were producing a crop that would be in competition, that might be different. But the amount produced would be insignificant during the lifetime of this bill; and in ordinary circumstances there is no real competition between the irrigated lands in the West and the lands which produce the crops that are in surplus. The Senator from Idaho knows that.

Mr. WELKER. If the amendment is insignificant, why does the Senator from Arizona object to it?

Mr. HAYDEN. Because it is useless, and because it is utterly a waste of time, paper, and ink to print it. That is what I think about it.

Mr. WELKER. Mr. President, I do not want the Senator from Arizona, a candidate for reelection, to go back to Arizona and tell the taxpayers of Arizona that the amendment is useless and a waste of time, paper, and ink, because in that case the Senator has not read the amendment and has not studied it.

Mr. HAYDEN. That is my conclusion.

Mr. WELKER. Then the Senator has not studied the amendment.

Mr. GOLDWATER. Mr. President, will my colleague yield to me?

Mr. HAYDEN. I yield.

Mr. GOLDWATER. I wish to rise in defense of my senior colleague, Mr. President. The senior Senator from Arizona [Mr. HAYDEN] is practically the father of western reclamation; and I resent the suggestion by the junior Senator from Idaho that my senior colleague does not know what he is talking about. We who represent Arizona know something about reclamation; Arizona had the first project in the United States.

Mr. WELKER. Is that correct?

Mr. GOLDWATER. And I do not think it is proper for the Senator from Idaho to use Arizona and the other irrigation States as a whipping boy—and I say it again—for the mistakes which have been made on the floor of the Senate.

Mr. WELKER. Mr. President, will any Senator yield to me time in which to reply?

Mr. YOUNG. I will.

The PRESIDING OFFICER. The Senator from Arizona has the floor. Does he yield?

Mr. HAYDEN. Mr. President, I simply wish to say calmly that there is no virtue

in the amendment, because this bill is a 1-year measure; yet the amendment would include many restrictions which the Secretary of Agriculture would have to apply. However, we know we shall have another farm bill in another year. So it is a perfect waste of time to write such an amendment into this bill.

Mr. WELKER. Mr. President, will the father of reclamation yield 1 minute to me?

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Idaho.

Mr. WELKER. Mr. President, nowhere in the bill is there a statement that it is a 1-year bill; any Senator who has studied the bill knows that.

Mr. HAYDEN. Does not the Senator from Idaho know as well as anyone else that we pass one of these farm relief bills every year? Has not Congress done that every year since the Senator from Idaho has been a Member of this body?

Mr. WELKER. Mr. President, never before have I seen before the Senate a bill such as the pending one, which provides for the soil bank, and thus will cost the taxpayers large sums of money which will be spent to take land out of cultivation and the pay the landowners therefor. My amendment simply will see to it that new land is not brought into cultivation under the reclamation law, at huge expense to the taxpayers, as against the opposite effect of the soil bank.

Where in the bill is there a 1-year limitation, Mr. President? I have proposed a 5-year limitation. I cannot see why the great State of Arizona is crying. I love Arizona, and I wish to see Arizona prosper. But I am not willing to see this plan applied to any particular State as a political issue when my State can be hurt just as much as Arizona or any other State in the Union.

Mr. HAYDEN. Mr. President, let us vote on the amendment.

Mr. ELLENDER. Mr. President, I yield myself 1 minute, in which I desire to ask a question of the Senator from Idaho.

As I understand his amendment, it does not apply to any projects which previously have been authorized. Is that correct?

Mr. WELKER. That is correct.

Mr. ELLENDER. So, before the amendment would go into application, the Congress would have to authorize new projects; is that correct?

Mr. WELKER. That is correct.

Mr. GOLDWATER. Mr. President, I should like to ask a question; the Senator has not yet cleared up one point.

The PRESIDING OFFICER. Does the Senator from California yield?

Mr. KNOWLAND. I yield 1 minute to the Senator from Arizona [Mr. GOLDWATER]; and then I shall yield to the Senator from Colorado [Mr. ALLOTT].

The PRESIDING OFFICER. The Senator from Arizona is recognized for 1 minute.

Mr. GOLDWATER. I thank the Senator from California.

Mr. President, I simply wish to point out to the Senator from Louisiana that one of the things to which I am objecting, in the case of the pending amendment, is that under it, we would not be

allowed to expand our present projects, some of which have been in authorization for 45 years.

I asked the Senator from Idaho whether his amendment precluded the expansion of, let us say, the Salt River project or the Welton-Mohawk project. He said, "Yes," that the amendment would preclude their expansion. The Welton-Mohawk project has been authorized, but the entire acreage has not been brought in, as yet.

Mr. ELLENDER. If the Senator from Idaho answered in the affirmative, he is in error.

Mr. GOLDWATER. He did answer in the affirmative.

Mr. ELLENDER. Perhaps the amendment is not understood. But the first section applies to Federal irrigation projects hereafter authorized.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ALLOTT. Mr. President, will the Senator from California yield time to me?

Mr. KNOWLAND. I yield 3 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 3 minutes.

Mr. WELKER. Mr. President, let me say, on the last point, that I did not understand the question which was propounded to me.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. WELKER. Will the Senator from Colorado yield to me?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Idaho?

Mr. ALLOTT. I yield for a question.

Mr. WELKER. I do not wish to ask a question. Instead, I wish to say that if a project is authorized—

Mr. ALLOTT. Mr. President, if the Senator from Idaho will bear with me, I have only 3 minutes. I should like to use 2 of them. Then, if I have any time left, I shall not mind yielding 1 minute to the Senator from Idaho.

Mr. WELKER. I should like to clear up the point which has been raised. However, if the Senator from Colorado does not wish to yield to me at this time, I shall wait; we shall be here all day, so far as I know.

Mr. ALLOTT. Mr. President, on this matter, I should like to associate myself with my distinguished colleagues, the Senators from Arizona [Mr. HAYDEN and Mr. GOLDWATER], and with the distinguished Senator from Utah [Mr. WATKINS].

It seems to me that if we were to adopt an amendment such as the one now pending, we would penalize the Western States—which are reclamation States and are irrigation States—so far as the future development of our country was concerned. All of us should keep in mind that even though the Western States are irrigation States, all the irrigation work has not been done at the expense of the Federal Government. The great majority of the work—particularly in my own State; in the case of Colorado, this is true of 85 percent of

the work—has been done by individuals in their private capacity, by the men who dug the ditches with their own hands and their own teams of horses, and so forth.

We cannot sell out the West; and particularly in the case of future development, we cannot sell out those States in the way now proposed, and thus make those States—I do not like to say make them a whipping boy, but that is what we really would be doing if we were to adopt such an amendment. Then, in the future, we would penalize them for what has been a bad agricultural policy in the Congress; and in my opinion, that is the result of two things: First, high, rigid supports; second, support of what are called and designated by the Congress—but erroneously so—basic commodities. Mr. President, they are not basic commodities; and the sooner the Congress recognizes that fact, the sooner we shall have a sound farm program.

Mr. KUCHEL. Mr. President, will my colleague yield to me?

Mr. KNOWLAND. I yield 3 minutes to my colleague.

The PRESIDING OFFICER. The Senator from California is recognized for 3 minutes.

Mr. KUCHEL. Mr. President, I come from a reclamation State. California gives grateful thanks to the United States for the assistance the Federal Government has given to the people of my State in various areas in the construction of great reclamation projects to promote the public good.

I cannot subscribe to an amendment which, insofar as future reclamation projects are concerned, would treat lands in new Federal projects on the basis of second-class citizenship. I vigorously object to this amendment which would penalize some farmlands, those in reclamation projects, but which would not at all affect other farmlands such as those benefiting by Federal flood-control assistance. To be fair, the amendment should operate on all lands in the same fashion.

But I wish particularly to talk to my colleagues on the other side of the aisle—those from the Southern States, especially. I wish to have them recall that there is a bill now in the Congress—indeed, there is now such a bill before a conference committee of the Congress—providing for Federal assistance under reclamation law, not alone to the reclamation States of the West, but also to the States which my colleagues from the Southern States have the honor of representing—States in other sections of our land, as distinguished from the Western States alone.

Inasmuch as this legislation, embodying Federal assistance for small projects across the Nation, would be a part of the reclamation laws of the United States, the landholders of other States, as well as those of reclamation States, would bear this unjust burden were this amendment to be adopted. Before rising and speaking in favor of this amendment, and before voting for the amendment and tacking it onto the farm bill, I suggest that Senators take a sober second look at this proposal, and, observing

its unjust implications, will join me in opposing it.

I am sure my friend from Louisiana knows that his able colleague from Louisiana [Mr. Long], a member of the Committee on Interior and Insular Affairs, is in large part responsible for the inclusion in the so-called small projects legislation now pending before the Congress of benefits for his State and its sister States, as well as for the western reclamation States.

Mr. ELLENDER. I understand that there is strong opposition to that provision, and that it will be stricken from the bill. I hope it will remain in the bill.

Mr. KUCHEL. I point to the fact that the Senate went on record in favor of that provision, and favored assistance to the Senator's State and other nonreclamation States as well as to the Western States, as a further reason why he, as well as I, should vote against this amendment.

Mr. ELLENDER. I understand that there is strong opposition to the provision placed in the bill as a result of the efforts of my colleague. It may be stricken out. Perhaps I am in error. I hope it will remain in the bill.

Mr. BARRETT. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Wyoming.

Mr. BARRETT. I was one of the co-sponsors in the Senate of the legislation to which reference has been made. I am on the conference committee. I wish to say to the distinguished senior Senator from Louisiana that there is no objection from any member of the committee to the inclusion of the other 31 States. There is no opposition whatsoever from any member of the committee to the inclusion of the other 31 States in legislation which will be substantially the same as that with respect to the western reclamation States.

However, the fact is that there are no complementary laws on the books of most of the States whereby such legislation could be made applicable to those States at the present time. All the other members of the committee are concerned with is separating the two pieces of legislation and bringing forth legislation for the other 31 States when such legislation would be in order.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. ELLENDER. Would it not be possible for the States to qualify later, even though the bill were passed?

Mr. BARRETT. That is an extremely difficult problem, because the water law which is applicable to the Western States is based upon the right of appropriation. The water law applicable to the other States is under the riparian theory of water law. It is extremely difficult to write legislation at this time, in the absence of appropriation-right law in the other States.

Mr. KUCHEL. Mr. President, will my colleague yield 1 more minute to me?

Mr. KNOWLAND. I yield 1 minute to my colleague. I remind him that it is nearly time for the previously announced

visit of the Prime Minister of Ireland.

Mr. KUCHEL. Mr. President I ask the Senator from Idaho [Mr. WELKER] if he would consider withdrawing his amendment and permitting not only the Committee on Agriculture and Forestry, but also the Committee on Interior and Insular Affairs, to consider in bill form what I am sure are the logical reasons which prompted the Senator to offer his amendment. I ask in complete good faith if he would consider withdrawing it so that our two committees may study the problem, and bring to the Senate a fair proposal on this difficult matter.

Mr. WELKER. Mr. President, I can answer that question in 1 second. The answer is "No."

VISIT TO THE SENATE OF HIS EXCELLENCY JOHN ALOYSIUS COSTELLO, PRIME MINISTER OF IRELAND

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, following a quorum call, the time for which shall be charged to neither side, the Senate may stand in recess subject to the call of the Chair, and that the Chair be authorized to appoint a committee to escort our distinguished visitor, the Prime Minister of Ireland, to the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Millikin
Allott	George	Monroney
Anderson	Goldwater	Morse
Barkley	Gore	Mundt
Barrett	Green	Murray
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Holland	Payne
Bridges	Hruska	Potter
Bush	Humphrey	Purtell
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Jenner	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Case, N. J.	Johnston, S. C.	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Lehman	Thurmond
Douglas	Magnuson	Tye
Duff	Malone	Watkins
Dworshak	Mansfield	Waker
Eastland	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Ervin	McCarthy	Young
Flanders	McClellan	
Frear	McNamara	

The VICE PRESIDENT. A quorum is present.

The Chair appoints the Senator from Texas [Mr. JOHNSON] and the Senator from California [Mr. KNOWLAND] the committee to escort our distinguished visitor into the Senate. Under the previous order, the Senate will stand in recess subject to the call of the Chair.

Thereupon (at 2 o'clock and 31 minutes p. m.) the Senate took a recess, subject to the call of the Chair.

very impatient to see you and hope it will not be long before we meet.

Yours most sincerely and affectionately.

R. F.

I have referred Charles to this letter.

P. S.—I forgot to mention that we have lost two ships (?) the Augusta a sixty-four and the Merlin a sloop of ? guns which were both burned the first by accident the 2nd by ourselves to prevent her falling into the hands of the perfidious foe. Commodore Harlewood (who was a boatswain in our service) commands the American fleet and I think makes no very contemptible figure upon the occasion. Sir John is writing a desponding letter to Lord Gower. God knows what measures we shall pursue. I hope Sir W. Howe will only think of securing his army for it will be a provoking thing to lose an arm or a leg after the game is up.

Adieu.

PHILADELPHIA, January 31, 1778.

MY DEAR BROTHER: I write to you though I have nothing to say to make my letter worth sending, but as it is the only means of conversing with one's friends in absence I think there is always a certain degree of satisfaction in it; New York has one great advantage over this place for winter quarters, because one has opportunities of hearing from Europe the whole year, which is not the case here, we have not yet received our October and November letters; which we know are arrived at New York but which Sir H. Clinton did not think it safe to send here so early in the year; one ship has fallen into the enemy's hands already by means of the ice, in which there was a very valuable cargo of stores, baggage and clothing, there is always a little naval war going on in the river, by land we are very quiet, our winter quarters are peaceable, and in some degree plentiful, at least in comparison with what might have been expected, provisions are dear, but the prices are so tempting that the enemy cannot prevent the people supplying the market, any more than we can prevent their getting supplies of all the things they want from the town, Governor Johnstone's attack upon the jobs (jobs?) in allowing a partial trade to be carried on has had very little effect, for Philadelphia is now full of every kind of merchandize, so I suppose the tools kept all this trade in their own hands. I grow every day more and more disgusted with the folly and iniquity of the cause in which I am condemned to serve, and if the disgraces and disappointments of this year do not somehow or other put an end to the war I really think I cannot bear to sacrifice every feeling and principle I have to it any longer; I should leave the profession now with much less regrets than I should have done formerly though I should still for many reasons be sorry to be obliged to do it, but the principles and opinions of the whole army are in politics so very opposite to mine (if it can be said that they have any) that I am by far less attracted to the *metier de soldat* than I was; This war has given all the persons employed in it the most determined aversion to the name of whig, and a strong disinclination to whatever they have heard called principles of liberty, though they do not pretend to understand the meaning either of the one or the other. And as I am grown a much greater enthusiast upon these subjects than I was when I left England, you may easily imagine how much their *facon de penser* displeases me. This winter must certainly be one of the most active and interesting that has been known for a long time in England, and I cannot bear with patience being shut up here to wait the event of it, and not being able to be present at so busy a scene; and where I think our triumphs must be so complete over the miserable and vile politicians that have brought about all

these enormous mischiefs; having been a witness to all the horrors of this war has made me ten times more violent than ever against it, and I hate the Ministry more cordially than ever for having obliged me to become a sort of instrument (though a feeble one indeed) of injustice, barbarity, and oppression; my present system of politics would be to cry *peccavi*, and if possible at any rate to procure the alliance of America, after cutting off the heads of those who have been the means of losing it, but I am afraid the people of England have not sense enough to adopt so wise a measure; and if once America is the ally of France I cannot conceive any salvation for us whatever. Poor Burgoyne, I hear, is living with his disarmed army at Cambridge. The Congress have given Gates a gold medal struck in commemoration of the Convention of Saratoga; there is a greatness and dignity in all the proceedings of this people that makes us contemptible indeed; I am well convinced they will be the first and greatest people there ever was an example of in the history of mankind; Our only consolation, as patriots, must be that they are of English origin; you see I am a complete enthusiast, notwithstanding which I am not a little impatient to see you again in your Old Corrupted World, where I have lived so long that I have virtue enough left to deserve to live in the new one.

PHILADELPHIA, March 25, 1778.

MY DEAR BROTHER: No packet is arrived since I last wrote to you, and another is ordered to sail for England, I don't know what news the General can have to send, unless it is the resolutions of Congress with respect to Burgoyne. Their pretenses for detaining him are not very specious, excepting one which I think justifiable. Burgoyne has rather hastily, and in my opinion very injudiciously accused them of having broke their faith with him with regard to the quartering of officers; what they have done certainly did not amount to a breach of the Convention, but it has given them an opening, which they have availed themselves of, for detaining him. As he considers the Convention violated on their side, which they do not admit; they have a right to conclude that he will not consider himself as any longer bound by it, they have therefore resolved that the army shall not be permitted to embark till a formal ratification of the treaty is properly notified to Congress, by the Court of Great Britain. this demand I suppose they think will reduce that Court to a disagreeable alternative, and in the mean time totally deprives them of the use of Burgoyne's army; he himself has wrote for leave to go home alone, but whether they will consent or not I have not yet heard. Congress have also prepared several resolutions in order to delay, and I fancy intirely to put an end to the intended negotiation for an exchange of prisoners, which they have determined shall not take place till all the different states have made up their accounts and are paid for the subsistence of them, the real fact is that we want the exchange far more than they do, which they know as well as ourselves. and are, I believe, determined to act accordingly; we may be better soldiers, (though that perhaps some infidels may question) but I am sure we are not so good politicians as they are. The *Gallant* Colonel Marhood (?) is gone with a thousand men down the river towards the Capes, it is said with a view of destroying some saltworks, or magazines. It is not supposed that they have any force there, but it is a considerable distance, and there is no depending on their militia not being more numerous than is suspected, witness Dan Curry (?). People here are anxious for news from England, unless Lord G. G. sends 20000 men it is supposed he must get another commander in chief, *et ou*

trouver l'un ou l'autre? Some talk here of Lord Amherst, but surely he can hardly be so insane as to undertake it; if he does, I am sure, he will deserve no compassion whatever may be his fate. I have wrote no letters but this because I expect so soon to see all my friends in England; If you should happen to know if Moliere (?) is in England I should be obliged to you if you would let him know that I am returning. I really believe you did him injustice in suspecting him, the servant he recommended to me is the worst that ever was or can be, and had there been a possibility of getting any other I should have turned him off long since; Adieu, my Dear Brother, remember me to all my friends.

I am ever yours most affectionately.

R. F.

MARCH 26.

P. S.—I have just been making a visit to General Lee, who arrived here yesterday and is to be exchanged. He seems in spirits, and brought a number of reports from New York from which place he came by land, where the January packet is arrived, this packet however is to sail to-morrow, so I must conclude, all his reports were of preparations for the next year, *mais Robin revient a ses flutes* Where are the men to come from? Adieu my Dear Brother. Burgoyne has leave to go to England.

NECESSITY FOR SPAIN'S ENTRY IN THE NORTH ATLANTIC TREATY ORGANIZATION

Mr. WILEY. Mr. President, we were fortunate today in having an opportunity to welcome to our midst the Prime Minister of Eire. We listened to a very fine address by him.

On April 10 we shall welcome to our shores His Excellency, Senor Don Alberto Martin Artajo, the Foreign Minister of Spain.

We have recently been glad to be host to a great many distinguished leaders from foreign nations, and I know that the visit of this able official of Spain will constitute another important landmark in ever-improved relations between our two countries.

The importance of such friendship and strength to the anti-Communist world is underlined by news from many parts of the globe.

As we know, there is, unfortunately, a tendency among some of our friends in the North Atlantic Treaty Organization to ease up on their program of military preparedness. There is a tendency in some quarters to give some heed to the sirupy line emanating from Moscow.

I have faith, of course, in our friends and allies, but I am particularly glad, nonetheless, that we have the strong military, naval, air agreement with vigorously anti-Communist Spain.

The recent troubles in north Africa underline particularly how important are the Spanish bases. Progress on construction of these bases has been excellent, according to high United States military authority. We know that in the years up ahead, these bases will constitute an even more significant bulwark of the anti-Communist world, and a deterrent against Red aggression.

As we all know, we have had a number of distinguished visitors from Spain, including the Ministers of Commerce and Agriculture, as well as Army, Navy, and

Air Force leaders. And, of course, last November, our own Secretary of State visited in Madrid with the Spanish Chief of State, Generalissimo Franco, discussing matters of mutual interest.

Foreign Minister Artajo was most instrumental in the negotiation of the original base agreements, and he has been very active in the effective implementation of these agreements.

I know that the Government of the United States is gratified by the fine co-operation which has been extended to us by Spain. The four air facilities, the sizable naval facility, and the all-important pipeline, figure most significantly therefore, as a bulwark against Communist aggression.

WELCOME SPAIN INTO NATO

In the meanwhile, I am hoping that the Senate will complete steps to urge the entry of Spain into the North Atlantic Treaty Organization.

Last year, on July 13, after a great many House Members had offered literally dozens of resolutions for this purpose, the House Foreign Affairs Committee approved a resolution unanimously, and on July 14, the House of Representatives approved the resolution without dissent. Now, I am hoping that my colleagues on the Senate Foreign Relations Committee will give their approval.

I had earlier discussed this vital subject on June 21 of last year, beginning on page 7502 of the CONGRESSIONAL RECORD, and subsequently on July 11, beginning on page 8696, when I announced the names of numerous additional cosponsors of my resolution.

Among cosponsors of this resolution on the Senate Foreign Relations Committee are the Senators from Indiana [Mr. CAPEHART], from Montana [Mr. MANSFIELD] as well as myself.

Among many other cosponsors are the Senators from Maine [Mrs. SMITH], Arkansas [Mr. McCLELLAN], South Dakota [Mr. MUNDT], Massachusetts [Mr. SALTONSTALL and Mr. KENNEDY], New York [Mr. IVES], Kentucky [Mr. CLEMENTS], Arizona [Mr. GOLDWATER], and numerous others.

I will not attempt to set forth the complete list at this time because I may say that several Senators who are not now listed as cosponsors of the Bridges-Wiley resolutions have indicated to me their complete support of it and may ask to be cosponsors.

The position of the Department of State has, as we know, been that the United States, of course, definitely favors the membership of Spain in NATO.

The Department has, however, pointed out that it is, of course, a fact that membership in NATO requires unanimity of all the NATO powers. And it is a further fact that among these powers there still do linger some points of difference with Spain.

The Department has sought, wherever possible, to use its good offices to help resolve such differences.

It has sought to create a broad and ever-finer climate in which Spain, the other NATO powers, including ourselves, could cooperate on matters of mutual interest, so as to pave the way for even-

tual formal Spanish admission into NATO.

PRECIOUS TIME IS PASSING

Meanwhile, however, precious time, in my judgment, is passing. Spain is unfortunately still not in a position to make her fullest contribution to the western family of nations so long as she is kept outside NATO.

She is now, however, a member of the United Nations organization, as well as having been a member over a period of time of U. N. specialized agencies. That makes it all the more paradoxical that she is still not a member of NATO, which is so vital a regional instrumentality under the U. N.

CONCLUSION

Mr. President, we will shortly go into the Easter recess. I am looking forward to the visit of Foreign Minister Artajo on our return from the recess. I hope that some time soon thereafter we may further cement our good relations with Spain by passage of this resolution, as well as by continuing favorable action on legislation involving friendship with Spain, both as regards mutual-security provisions and such other phases as sound disposal of agricultural surpluses and related matters.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

The PRESIDING OFFICER. The Chair wishes to announce that there are 6 minutes remaining to the distinguished minority leader, who is in charge of the time in opposition to the Welker amendment.

What is the will of the Senate? The question is on agreeing to the amendment.

Mr. KNOWLAND. Mr. President, there are 6 minutes remaining to me. I am willing to yield part of that time to the distinguished Senator from Idaho, because his time has expired, and I am prepared to yield 3 minutes to those in opposition.

Mr. President, I yield 3 minutes to the Senator from Idaho.

Mr. WELKER. Mr. President, I desire to thank the distinguished minority leader. Some of my colleagues were absent when we were debating my amendment, which is identified as "3-9-56-E." Let me say again that on the amendment, I already have received the blessing of the distinguished chairman of the Committee on Agriculture and Forestry and the distinguished ranking minority Member on the Republican side of the aisle. During the debate I have discovered that there are certain matters which, in fairness to my colleagues, certainly should be taken care of. I am happy and willing to do it.

Let me say again I think this is a fair amendment, and it is so simply stated that I should not repeat the arguments in favor of it. As I have said, as long as the farm bill encompasses a soil bank, under which the American taxpayer will be forced to pay tremendous sums of money to take land out of production, I think it is utterly unfair and ridiculous

that the American taxpayer, through the Secretary of the Interior and the Reclamation Service and/or the Department of Agriculture, should have new land brought into cultivation under new projects, which would merely bring about an increase of the surpluses. I think we all agree that it is the surpluses that are the cause of our dilemma.

I do not know how a sensible farm bill can be enjoyed by the people of America, when, for some reason or another, with one hand they are going to have to pay huge sums of money to take land out of production, and with the other hand they are going to have to pay out huge sums of money to put land into production.

Mr. President, my amendment has nothing whatsoever to do with projects which are already authorized. I wish to say I misunderstood the distinguished junior Senator from Arizona, a short time ago, he interrogated me with respect to whether or not projects already authorized could continue to exist and expand. Nothing in my amendment would preclude that.

I think now that I desire to yield back whatever portion of the 3 minutes remains to me, because later there will be offered an amendment on which I shall be able to speak more at length upon this matter. I had hoped the matter could be hurriedly taken care of, but there are some very serious questions which have been raised by my colleagues, and I wish to do the best I can to help them.

The PRESIDING OFFICER. The time of the Senator from Idaho has expired.

Mr. KNOWLAND. Mr. President, of course, not knowing what amendment the Senator is going to offer, I must speak to the amendment before the Senate, which is designated as "3-9-56-E." I am sorry all Members of the Senate were not present at the time the discussion was taking place, but, as was pointed out by the Senators from Utah, Colorado, Arizona, California, and other States, while the general objective of the Senator from Idaho may be perfectly sound, the language in the amendment which the Senate is presently considering has such far-reaching implications that we believe it would do great damage to the Western States and, indeed, ultimately to a great many States of the Union which will in the future be affected by the reclamation laws.

It is a far-reaching doctrine which is enunciated in the amendment, because it says that "no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced," and the time period is unlimited. The amendment would prevent production of crops even for the farmers' own use, as was pointed out by the senior Senator from Utah.

The suggestion was made by my junior colleague from California that this is such a far-reaching matter that it might properly be withdrawn as an amendment and submitted as legislation for the consideration of the Department of the Interior and the Department of Agriculture. I believe that would be the more orderly procedure.

It seems to me a measure of this far-reaching consequence should not be added to the agricultural bill at this time, without an adequate opportunity to hear from representatives of the States and the areas which may be far more vitally affected than the Senator from Idaho intends they shall be.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Is the amendment open to amendment?

The PRESIDING OFFICER. Yes.

Mr. WILLIAMS. I submit an amendment.

The PRESIDING OFFICER. The amendment will be stated by the clerk.

The LEGISLATIVE CLERK. On page 1, it is proposed to strike out all of line 10.

Mr. WILLIAMS. Mr. President, my purpose in offering the amendment is in order to obtain time so that I can yield time to the Senator from Idaho to further explain his amendment, following which, at the appropriate time, the amendment will be withdrawn.

Before yielding to the Senator from Idaho, however, I should like to state to the Senator from Colorado—

The PRESIDING OFFICER. Let the Chair state that the Senator from Delaware has 30 minutes on his amendment.

Mr. WILLIAMS. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS. Mr. President, rather extensive hearings were held on this particular provision before the Committee on Agriculture and Forestry; and the question has been considered by both of the Departments and by the committee. So we are not dealing with a project to which the Congress has not given careful study.

Now I shall yield the remainder of my time to the Senator from Idaho.

ADDITIONAL APPROPRIATION FOR THE DEPARTMENT OF LABOR

Mr. JOHNSON of Texas. Mr. President, if the Senator from Delaware will first yield briefly to me, I shall be very grateful to him.

Mr. WILLIAMS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 582, making an additional appropriation for the Department of Labor.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The joint resolution will be read by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 582) making an additional appropriation for the Department of Labor for the fiscal year 1956, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 582) making an additional appropriation for the Department of Labor for the fiscal year 1956, and for other purposes, which was read twice by its title.

Mr. JOHNSON of Texas. Mr. President, I have discussed this measure with the distinguished minority leader and the distinguished chairman of the Appropriations Committee, who is on the floor at the present time; and I shall appreciate it if he will make a brief explanation of this measure.

Mr. HAYDEN. Mr. President, the joint resolution will provide the funds needed by the Department of Labor from this day on, because the Department is out of funds.

This measure was looked into very carefully by the Appropriations Committee's subcommittee headed by the Senator from Alabama [Mr. HILL], as chairman; and a hearing was held by the subcommittee. I could see no advantage in calling a meeting of the full committee to consider the joint resolution, inasmuch as it is a simple one.

Therefore, I have suggested to the leadership that the joint resolution be passed at this time.

The PRESIDING OFFICER. If there is no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 582) was ordered to a third reading, read the third time, and passed.

INCREASED AUTHORIZATION FOR THE AIRCRAFT CONTROL AND WARNING SYSTEM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 1684, Senate bill 3452; and I request that the time required for the consideration of this measure not be charged to either side, under the allocation of the time available for consideration of the farm bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The Clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 3452) to amend the act of July 15, 1955, Public Law 161, 84th Congress (69 Stat. 324) by increasing the appropriation authorization for the aircraft control and warning system.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I have discussed this measure with the distinguished minority leader, and he is agreeable to having it brought up at this time.

The Senator from South Dakota [Mr. CASE] is familiar with the bill, and will explain it.

Mr. CASE of South Dakota. Mr. President, everyone knows that we are constructing what is called the Distant Warning Line as far north as it is prac-

ticable to construct it. The authorization for that purpose is exhausted. This bill has been unanimously reported from the Committee on Armed Services, after a hearing before the Subcommittee on Military Construction.

It is necessary that the bill be passed today, if possible, in order that the work may go forward without interruption.

Mr. President, this is a matter of the highest priority. The bill has the endorsement of all parties concerned.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3452) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of July 15, 1955, Public Law 161, 84th Congress (69 Stat. 324), is hereby amended as follows:

"(1) With respect to various locations under the heading 'Outside Continental United States' and subheading 'Aircraft Control and Warning System' in section 301, strike out '\$98,552,000' and insert in place thereof '\$170,552,000.'

"(2) In clause (3) of section 502 thereof strike out the amounts '\$458,563,000' and '\$1,207,902,000' and insert in place thereof '\$530,563,000' and '\$1,279,902,000' respectively."

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that an explanatory statement prepared by the staff be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROVIDING ADDITIONAL AUTHORIZATION FOR THE CONTINUED CONSTRUCTION OF THE DISTANT EARLY WARNING SYSTEM

The purpose of this bill is to provide additional construction authorization in the amount of \$72 million in order to insure uninterrupted and continued construction of the distant early warning system, more commonly known as the DEW line.

The DEW line is a chain of radar stations located in an east-west line across the most northerly practicable parts of the North American continent. It is designed to detect possible enemy aircraft and to flash a warning to the Air Defense Command centers in Canada and the United States as rapidly as possible after the aircraft come into range.

This is a high priority project and actual construction was started early in the winter of 1955. Subject to climatic conditions and characteristics peculiar to the Arctic, construction has been proceeding since that time at the greatest possible speed.

Initial estimates indicated that the project would require approximately \$104 million to complete the construction portions of the system, however, lack of cost experience data in the Arctic area caused errors in this estimate. As the work progressed, it became apparent that the initial figures would have to be revised upward. In addition, construction undertaken by the prime contractor has progressed much more rapidly than expected, consequently, the Department of the Air Force needs additional authorization to insure that the construction forces employed in the area can be kept busy.

Public Law 161, of the 84th Congress, contained authorization in the amount of \$98,552,000 for the continued construction of the DEW line. At the time this act was approved it was contemplated that this authorization would be sufficient to continue construction of these facilities until new authorization

could be provided in the military construction authorization for fiscal year 1957. Provisions for this authorization were included in the military public works bill for fiscal year 1957—S. 3122—currently under consideration by the Armed Services Committee. However, the committee has not yet completed its consideration of this bill and the authorization now available to the Air Force will be exhausted on or about March 15—today.

Consequently, this item in the amount of \$72 million has been removed from S. 3122 and is being reported in this separate bill.

In view of the extremely short shipping and construction seasons in the Arctic region, plus the urgent need to adhere to the target date for completion of this project, June 1957, it is necessary that the obligation of essential funds be made as early as possible in order that the finished goods and services can be made available in sufficient time to meet the shipping schedules this coming summer.

It is hoped that the Senate will act favorably on this bill.

Mr. LANGER. Mr. President, will the Senator from South Dakota yield to me for a question?

Mr. CASE of South Dakota. I yield.

Mr. LANGER. How much money is involved in this measure?

Mr. CASE of South Dakota. Seventy-two million dollars. However, the bill does not make an appropriation, but merely increases a previous authorization.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. WILLIAMS. Mr. President, I am prepared to yield back my unused time.

Mr. WELKER. Mr. President, I have debated this subject at length. Certain questions have been raised. I address my remarks now to the distinguished majority leader, who was obliged to be absent from the floor when we were debating the question of a time limitation.

Let me say again that the distinguished ranking minority member of the Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN], made the statement on the floor that this bill could not possibly last more than 2 years. Since the distinguished senior Senator from Utah has been very active in connection with the Upper Colorado Basin bill, and since there is provision in that bill that no new lands can come in for a period of 10 years from the date of enactment of the bill, I have, in the spirit of compromise and fair play, cut that time in half. I am willing to make it 5 years, if there is to be a cut-off period. I hope and pray that we may not even have to use the 5 years, because as soon as the surpluses are done away with, nothing in the bill would preclude us from developing the arid areas.

The distinguished junior Senator from Colorado [Mr. ALLOTT] made some very appropriate remarks a few moments ago. He said, in effect, that there were certain commodities raised in the West which would not be under the protection of the farm bill we are now discussing. I agree with him wholeheartedly. How-

ever, I do not believe that I am using the West as a whipping boy in this connection. I think the State of Idaho has grown and blossomed by virtue of reclamation to as great an extent as has any other State in the Union. That has been due to the fairness, honesty, and great integrity of every Member of Congress. The Congress has not seen fit to let us down when we have needed funds to develop the arid lands of the West.

Within a few moments, I shall have prepared a modified amendment, so as to remove the objections of the distinguished senior Senator from Utah [Mr. WATKINS], the distinguished junior Senator from Arizona [Mr. GOLDWATER], and his colleague the distinguished senior Senator from Arizona [Mr. HAYDEN]. I hope the entire question will be resolved so that the Senator in charge of the bill will accept my amendment without a yea-and-nay vote.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WELKER. I am happy to yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. I compliment the Senator from Idaho on offering this amendment. I am in thorough agreement with the principle of the amendment, and the objective which he is trying to reach. I believe that from his standpoint it is a very fair approach indeed.

I think it is quite illogical to attempt to take productive land out of production and place it in the soil bank as a means of reducing surpluses, and permit other lands, which will contribute to surpluses, to be brought under cultivation in the immediate future. I think the Senator's limitation of 5 years will be very helpful. It will remove the objection based upon an indefinite time in the future.

I urge support of his amendment, as I understand it will be modified. I congratulate him for bringing this subject to the attention of the Senate, and for offering his amendment.

Mr. WELKER. I thank the distinguished Senator from Iowa.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONRONEY. May I inquire whether the amendment offered by the junior Senator from Idaho has been withdrawn, awaiting the offering of a modified amendment, or whether it still remains the order of business before the Senate?

Mr. WELKER. Mr. President, I answer my distinguished colleague from Oklahoma by saying that it has not yet been withdrawn.

At this time I send to the desk a modification of my amendment and ask that it be stated.

The PRESIDING OFFICER. The modified amendment offered by the Senator from Idaho will be stated.

The LEGISLATIVE CLERK. On page 30, after line 17, it is proposed to insert a new section, as follows:

FEDERAL IRRIGATION AND DRAINAGE PROJECTS

SEC. 310. (a) That for a period of 5 years from the date of enactment of this act no

agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation or drainage contracts entered into with respect to Federal irrigation and drainage projects hereafter authorized, such provisions as he may deem necessary to provide for the enforcement of the provisions of this section.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of subsection (a) during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation and drainage project" means any irrigation and drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and act amendatory thereof or supplementary thereto) and to any Federal irrigation or drainage project subject to the laws relating to irrigation and drainage under the auspices of the Department of Agriculture or the Secretary of Agriculture.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. WELKER. I am very happy to yield.

Mr. GOLDWATER. Will the Senator tell the junior Senator from Arizona how, in this new version, he has taken care of the language to which the Senator from California and other Senators have objected? I refer to subparagraph (c) in line 4 of the original amendment which states: "to be in surplus supply shall be produced" and so forth. Has he taken care of that situation with his new version?

Mr. WELKER. I believe the Senator has made a good point. I doubt seriously that we have done so. I believe the distinguished minority leader raised the point as to whether the farmer could raise grain to feed his chickens, for example. I am willing again to modify my amendment to provide that no surplus supplies shall be produced on any land other than for domestic use. I should like to have the attention of the minority leader, and I should like to ask whether that clarifies the point he has raised.

Mr. KNOWLAND. It clarifies it somewhat, but I do not believe it solves the problem. Whether the period of time should be 5 years or 3 years might be arguable. However it seems to me that in any event the amendment would have much more merit if instead of providing "shall be produced on any land," it provided that "no benefit payments shall be received," or something of that sort. However, we are going rather far when we say that certain people shall not be permitted even to produce on the land. It may have very far-reaching implications, perhaps even further than the distinguished Senator from Iowa intends. I know he is vitally interested in recla-

mation in the West, and he has had a distinguished career in that regard. However, I do wish to call attention to the fact that we do have many shifts in populations. Sometimes we have a great drought, and some people may have to leave one area and move to another.

Those are some of the conditions we must face. His amendment may have the effect of freezing benefit payments; and there may be considerable logic as to that, if we are taking land out of production, but when the Senator provides that the farmers may not produce anything on the land—which I believe they should have a right to do—he is going pretty far, constitutionally and otherwise.

Mr. LANGER. Mr. President, will the Senator yield for a suggestion?

Mr. WELKER. I should like to yield first to the Senator from Delaware, who I believe wishes to answer the observation of the distinguished minority leader.

Mr. LANGER. Perhaps it would be well to add "shall not be produced for commercial purposes." That might solve the problem.

Mr. WELKER. I do not believe so. I offered to do that in the chicken-feed amendment.

Mr. GOLDWATER. Mr. President, I believe I can explain it.

Mr. WELKER. Very well. I yield to the Senator from Arizona.

Mr. GOLDWATER. We discussed this subject, and in reading over the version that was sent to the desk we noted that inadvertently the sentence to which the junior Senator from Arizona referred has been omitted. The Senator from Utah is trying to get it back into the copy, so that the amendment will make sense.

Mr. WELKER. May we hear it read?

Mr. WATKINS. The first sentence of the paragraph should read:

That for a period of 5 years from the date of enactment of this act no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any newly irrigated or drained lands within any Federal irrigation or drainage projects—

And so forth. The addition I have read was inadvertently omitted when the amendment was typewritten.

Mr. GOLDWATER. There we get again to the objection the senior Senator from California has raised, that the amendment would in effect prohibit anyone from planting any crops on his land, even though they were for his personal consumption or for consumption by his animals. I do not believe the Senator from Idaho intends to do that. It would be wise indeed if we could develop language which would take out that objectionable feature.

Mr. WELKER. Certainly I have offered to do that no fewer than eight times this afternoon. I will make the offer again. It is a very meritorious and fair proposal. If we could find a way to remove the objection it would be fair to everyone.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. WELKER. I yield to the Senator from Delaware.

Mr. WILLIAMS. I believe the Senator from Idaho has been very fair in his approach to this problem. I should like to point out that we are not proposing to remove acreage which is now in production or take it away from farmers who are now farming land. Instead, we are talking about new land which has never been cultivated, and which would not be cultivated unless we appropriated money to bring it into production. Why should one department use taxpayers' money to bring into production new acreage, while at the same time we are authorizing another department to pay farmers to remove from production some existing acres?

I believe the amendment is a very fair amendment. The Senator has been very fair about it. It would greatly improve the bill if the amendment were adopted.

Mr. WELKER. I thank the Senator from Delaware. I believe we have now gotten to the meat of the coconut. We are not trying to take away any land that is now in production. I cannot see the concern of those who might oppose the amendment on that ground. If there is concern on that point, perhaps we should look at the soil bank and decide how much we should worry about that feature of the bill. I hope the explanation of the Senator from Delaware [Mr. WILLIAMS] has convinced the distinguished minority leader that this is a meritorious amendment.

Mr. WATKINS. I should like to say to the Members of the Senate that during a period of 5 years it will be very difficult on any newly irrigated land to bring in any production.

Mr. WELKER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WATKINS. There is no serious obstacle to limiting production there. In the House bill dealing with the Colorado storage project, from which I have read, there is a limitation of 10 years. We do not object to a brief limitation. This applies to drainage projects, as well as other projects built with Federal funds. There is not any likelihood that during the first 5 years there will be any kind of production. I do not see any serious objection to a limitation of a 5-year period within which the land cannot be used for any purpose, because it is not likely that in that period of time it will be used for any purpose.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. HOLLAND. I notice that under the language of the amendment, the provision applies to Federal drainage projects. Is that correct?

Mr. WELKER. That is correct.

Mr. HOLLAND. Are there any Federal drainage projects, as such, or does the Senator mean lands that are drained in connection with flood control projects?

Mr. WELKER. No; there are Federal drainage projects, and others will hereafter be created. We have many of them in Idaho, and they have been of great assistance in bringing in new land. I am not interfering with that at all.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. WELKER. I am glad to yield.

Mr. HOLLAND. The Senator does not intend to apply his amendment to lands which are incidentally reclaimed through a flood control program, does he?

Mr. WELKER. Incidentally reclaimed? No, under no circumstances do I intend that.

Mr. HOLLAND. I appreciate that statement by the Senator, because the statement just made by the Senator from Utah probably applies correctly with reference to land reclaimed from the desert, and I have no knowledge what period of time must elapse before that land can become productive. Of course, that statement would not apply to land that is reclaimed by way of drainage, because on that kind of land production can start almost immediately.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. KNOWLAND. As I followed the colloquy, I became even more confused. Accordingly to the Senator's answer to the question, in the case of a flood control project in which the Federal Government puts up all the money, that money is not repaid at all. Those lands can be brought in under the Senator's amendment, and they can produce crops which are in long supply. In that way we would be building up a surplus. With respect to reclamation projects, which are repaid in 40 years, plus the 10-year development period, production would be foreclosed.

So that theoretically, at least—and I think this is the kind of a colloquy which is necessary and desirable, to see how far we may be going with an amendment of this kind—we can bring in thousands of acres which are not now in production, by a Federal flood-control project, and they may be planted to cotton, corn, or wheat, even though those products are in long supply. But if it were a reclamation project, they would not be permitted to grow anything.

Mr. WELKER. The reason why I did not put flood control into it is that I cannot imagine a flood-control project, as I have said, bringing in vast acres of irrigable land. If it would better satisfy the distinguished minority leader, I should be glad to put that in, too. But I tell the Senate that if the soil-bank proposal goes through as it is, and we do not have some control over bringing in new land, this farm bill will not amount to two bits. I do not think our action should hinge on mere technicalities. I am offering all I can, and I wish the support of both sides. But here I am giving everything I can, but there always comes up some new, technical, fine-spun theory. I am sure we do not want it that way.

Mr. KNOWLAND. I am sure no one is bringing up any technical theory. I think the argument which the Senator has made would be perfectly valid as to any irrigation project which might be before the country in the future to be examined very closely in committee on the floor of the Senate to see whether, primarily, it would result in bringing in crops which are in long supply, and of which we have surpluses.

That would be something to which I am sure the Senate and the House of Representatives would give every consideration. But I think some of us, under our responsibilities—and I am not speaking now, as the minority leader, but as a Senator of the United States—would not consider it a problem local to the State of California, but it does, I believe, affect the whole arid West. I think it may have some far-reaching implications which the Senator himself does not intend to impose on that area of the country. We may be doing something which we shall regret doing.

It seemed to me that it was not an unreasonable suggestion of my junior colleague from California that a matter of this importance should have consideration in the proper legislative committee.

Mr. WELKER. Mr. President, once again I wish to answer the Senator and say that I am getting a little bit tired of hearing the statement made that the committee did not consider this matter. It has been stated on the floor of the Senate by members of the committee that they had the matter before the committee. I am sorry that I could not be a member of the Committee on Agriculture and Forestry. When the Democrats took over, I was bumped off. But I have done the best I could to present this matter in the limited time I have had. If the Senate desires a rollover on my amendment, I want Senators to stand up and be counted, because I think I have been fair.

The PRESIDING OFFICER. Will the Senator from Idaho yield while the first paragraph of the amendment is read by the clerk?

Mr. WELKER. Certainly, Mr. President.

The legislative clerk read as follows:

On page 30, after line 17, insert:

"FEDERAL IRRIGATION AND DRAINAGE PROJECTS"

"SEC. 310. (a) That for a period of 5 years from the date of enactment of this act no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project."

Mr. WELKER. That is correct, Mr. President.

Mr. HOLLAND. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I shall be happy to yield.

Mr. HOLLAND. If I correctly understand the Senator's response, I think I am completely satisfied as to the point I have in mind. Do I correctly understand that his amendment has no relation at all to drainage which is incidental to flood-control projects?

Mr. WELKER. Not one iota.

Mr. HOLLAND. I thank the distinguished Senator from Idaho.

Mr. KUCHEL. Mr. President, I wonder if my colleague will yield me a minute so that I may make a comment.

Mr. KNOWLAND. Mr. President, I yield 1 minute to my colleague from California.

Mr. KUCHEL. May I have the attention of both the Senator from Florida and the Senator from Idaho?

If I have a correct copy of the proposed amendment to the amendment, let me invite attention to what is called paragraph (d), which reads as follows:

(d) For the purposes of this section the term "Federal irrigation and drainage project" means any irrigation and drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) and to any Federal irrigation or drainage project subject to the laws relating to irrigation and drainage under the auspices of the Department of Agriculture or the Secretary of Agriculture.

I do not know what the situation is in the State of the Senator from Florida. I do know that in the State from which I come we do have from time to time flood-control projects in which the Department of Agriculture is interested. We do have public works on which the Department of Agriculture spends agricultural money and which presumably are under the control of the Secretary of Agriculture. Those projects, in at least one instance with which I am personally acquainted, are in areas where irrigable lands are located.

I am not going to vote to approve something which may be interpreted, under the verbiage used, to prevent a farmer in my State from utilizing his land as he desires to utilize it, merely because the Department of Agriculture is contributing in that area to any type of protection from erosion, floods, or anything else.

Mr. HOLLAND. Mr. President, will the junior Senator from California yield?

Mr. KUCHEL. I yield.

Mr. HOLLAND. The matter which gave me concern does not pertain directly to my own State. We have only one flood-control project, and in connection with that, the State is paying 18½ percent—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield 2 additional minutes to the Senator from Florida.

Mr. HOLLAND. My State is contributing 18½ percent of the construction cost, all the cost of relocation of roads, and the like, and all the maintenance cost for stated portions of the project, amounting to a total of approximately 39 percent of the project costs. What I was thinking about was that in many States, where there is an abundance of water, projects are under way. There are lands which are cultivable that are made available. I want to be very sure, as I think I am sure now, in view of the answer of the distinguished Senator from Idaho, that this amendment does not pertain to them. If I heard the amendment read properly, it relates only to land under the Department of the Interior and under the Department of Agriculture.

Am I correct in that statement?

Mr. WELKER. The Senator is correct.

Mr. HOLLAND. I think that statement may make clear the reasoning be-

hind my questions in this colloquy, and the reason why I am completely satisfied, with reference to my interest in the matter, by the answers made by the Senator from Idaho.

Mr. WATKINS. Mr. President, will the Senator from California yield me a little time?

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from Utah.

Mr. WATKINS. Drainage projects connected with reclamation are now going into effect in some of the States. The pending bill refers to projects after the enactment of the act. We have a bill in conference today, and Part II provides for drainage as well as for irrigation, and applies, also, to all the area outside of the 17 reclamation States, which means all the rest of the United States. If the bill should be passed, it would apply to irrigated lands.

The Chief of the Army Engineers wrote me a letter in which he stated that under flood control over 8 million acres of land had been reclaimed and put back into cultivation. That makes a million more acres than have ever been reclaimed under Federal reclamation.

From the standpoint of justice, I think it should have included the others. But I am willing to settle simply for those which are in the Department of Agriculture; and those hereinafter enacted or hereinafter put into effect, when the lobby becomes effective, should be handled exactly as are projects for irrigation or reclamation purposes.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. HOLLAND. The Senator did not have in mind, did he, including flood control projects as to which the States or the local governmental units pay a substantial part of the cost of the program themselves?

Mr. WATKINS. Yes; because reclamation is in a position identical with that of which we are speaking.

Mr. HOLLAND. Particularly where all or most of the lands are privately owned, and there would be no conceivable way under which the right could be taken from any land owner to produce.

Mr. WATKINS. The Senator from Florida must remember that the amendment applies only to projects hereinafter provided for by law. The situation which the Senator mentions as to private lands, which already have their exemptions, and so forth, is exactly true under reclamation. Three-fourths of the reclamation projects these days provide water as supplemental to the lands already in private ownership and in private operation at the moment. But the amendment applies to those under reclamation and likewise those which are drainage projects.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. KNOWLAND. The amendment is not limited to public lands; but applies also, as the Senator has pointed out, to lands which are in private ownership today, which would be getting only a supplemental water supply.

Mr. WATKINS. That is correct. Three-fourths of the land in reclamation projects today is privately owned. Under those circumstances, exactly the same situation would apply as the Senator from Florida has said exists in his own State. I know about the Lake Okeechobee project. I know that private lands are being taken care of there. They come under flood control. That project already is under way; there is no limitation on it. The amendment would apply only to projects hereinafter provided for by law. That is all the amendment would apply to.

Mr. HOLLAND. I thoroughly understand that the amendment applies *only* to projects enacted in the future. I am faced with the fact that there are many river valley not yet covered by flood-control operations, and where I believe it to be in the public interest to have flood-control operations set up.

The question I wanted to ask the distinguished Senator is this: Considering that there will not be an application to the Federal Government for the use of water, there will be a question as to whether or not the people who now own private lands, which will be made more arable as a result of the flood-control operations will be able to produce crops on that land. How would the Senator propose to deprive the private landowners of their right to produce anything they can on their privately owned land?

Mr. WATKINS. In exactly the same way as those under reclamation or irrigation projects are regulated.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. WATKINS. I have very little time left.

Mr. KNOWLAND. Mr. President, I yield 2 additional minutes to the Senator from Utah. Then I shall yield to the Senator from Nevada [Mr. MALONE], and then to the Senator from North Dakota [Mr. Young].

Mr. MONRONEY. As the Senator from Utah knows, I have been tremendously interested in the upstream flood-control program, which is just getting under way. There are probably less than 50 small watershed projects now authorized and under construction.

Mr. WATKINS. That is correct.

Mr. MONRONEY. The additional land which would be brought into production in the smaller tributary valleys are subject to flooding 3 or 4 times each year. As I understand, the landowner who gives his land for the retention pool and reserves all of that water for his own irrigation purposes would find himself in serious trouble under the amendment, because the funds that come from the Department of Agriculture would apply, and practically none of these projects, which will number into the thousands, could, up to this time, be considered to be authorized in any way.

Mr. WATKINS. The projects can be authorized for such purposes. All I am saying is that that particular type of project brings into cultivation new lands, just as the reclamation part does.

Mr. MONRONEY. Is the Senator saying that the amendment would kill the upstream flood-control program?

Mr. WATKINS. No; it would not kill reclamation.

Mr. MONRONEY. This is not reclamation; it is title 608 land.

Mr. WATKINS. I understand; but in the broad, general sense of the term it is reclamation land; it has not heretofore been used. It is actually irrigated land; it is newly drained land. As it comes into use, it becomes competitive with other land, and contributes to the surpluses in the same way as any other lands do, particularly those under the 1902 Reclamation Act.

It is not possible to have one rule for lands which come under the Reclamation Act, and another rule for lands which come under drainage. For 5 years they would not be able to produce any of the so-called surplus products, but it would be possible to grow anything else on them.

Mr. MONRONEY. It would not be possible to raise cattle.

Mr. WATKINS. Oh, yes, it would.

Mr. MONRONEY. Milk is in surplus; beef is in surplus; alfalfa seed, corn, wheat, and other products are in surplus. In other words, we would be completely negating a bill which the distinguished chairman of the Committee on Agriculture and Forestry sponsored, which passed the Senate, and which gave so much hope to the little farmers of the land that we could at long last have upstream flood control and make that program work.

Mr. WATKINS. My amendment would operate in exactly the same way for those people as it would for the irrigators under the Reclamation Act. If a law is to be applied to one class of persons, the only fair thing to do is to have it apply to all classes of persons. What is sought to be done will be pointed up now. It will be seen what is proposed to be done for the irrigator under the Reclamation Act. But we are willing to take it, because we know that it will take 5 years before any crops worth mentioning actually can be produced on irrigated lands.

We know from experience that it is not possible to have desert lands brought into production, to amount to anything, for several years. It is possible to put in other crops which are surplus. Hay, fodder, and that type of product can be grown.

I maintain that if the bill is fair for one group, it is fair for all.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Nevada.

Mr. MALONE. I should like to ask the distinguished Senator from Idaho the purpose of his amendment.

Mr. WELKER. I assume that I am speaking on the time of the opposition. I am sorry the Senator from Nevada has not been present. I know he has been detained on other business.

THE PRECEDENT OF DELAYING STABILIZATION OF WATER SUPPLY ON WESTERN LANDS

Mr. MALONE. I am not detained on other business. I am here to debate the

propriety of setting a precedent that further western development must wait on a synthetic midwestern surplus.

Mr. WELKER. Then the Senator will hear the purpose of the amendment.

Mr. MALONE. That is my purpose.

Mr. WELKER. The purpose of the amendment is to preclude, for a period of 5 years, the authorization of any new projects under the Reclamation or Department of the Interior Act which have not been heretofore authorized, projects which would cost the taxpayer money, and also thereby bring into production new crops of surplus commodities, while at the same time the taxpayer was being asked to shell out money from the other pocket to take other lands out of production, under the so-called soil-bank program.

Mr. MALONE. Mr. President, I think that is very clear. I simply want to say for the purpose of the Record that where we live, west of the Rocky Mountains, we cannot pay the support price and ship corn from Illinois or Iowa to the intermountain States and break even feeding it to our livestock. Our stockmen must raise much of their own feed; otherwise they will go out of business.

We are trying to help the corn and Wheat Belt farmers out of a bad situation and I shall vote for the flexible support price, but I shall not vote for a precedent under which the intermountain States must stop development while taxpayers' money is being utilized to increase the surplus in another area.

Our western problem is storing surplus water, to stabilize the water supply on lands already largely under cultivation, including some additional acreage to make a project feasible. The amendment will set a dangerous precedent and I shall vote against it.

Mr. KNOWLAND. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Idaho has 7 minutes remaining; 15 minutes remain on the other side.

Mr. BARRETT. Mr. President, will the majority leader yield some time to me?

Mr. KNOWLAND. I yield 2 minutes to the Senator from Wyoming.

Mr. BARRETT. I take this opportunity to interrogate the junior Senator from Idaho on the purpose and objective of the amendment with respect to the Carey Act lands in the West. I understand the same situation prevails in other States of the West.

Will the Senator's amendment interfere in any way with the homesteaders who have settled on the lands, who have applied water to their lands at their own expense, and who in the next few years will be in a position to prove up the additional lands? Are they to be precluded from raising any of the crops which are in surplus?

Mr. WELKER. Under no construction of the act would that be so. The Carey Act homesteaders already have their land. They are not bringing in new land they did not all the time intend to have brought in.

Mr. BARRETT. It is on new land.

Mr. WELKER. I thought the Senator said the homesteaders had settled upon the land.

Mr. BARRETT. That is correct. The water will have to be applied to the lands for the first time when they prove up on their homestead land.

Mr. WELKER. It is certainly not my intention that the farmer who has been working and settling his land should not have the right to bring in his land at the right time. The whole intention of my amendment is that we shall not authorize vast projects. I am not worried about how many Carey Act people there are in the State of the Senator from Wyoming. There are no more of them in the Senator's State than there are in my State.

Mr. BARRETT. I do not think there are as many in my State as there are in the Senator's State.

Mr. WELKER. I do not think there are.

Mr. BARRETT. But there is a substantial acreage under the Carey Act in our State, and those people have complied with every provision of the law. They are expending their own money. They are putting water on the land at their own expense. When they prove up on their land, they hope to use the land for the purpose of growing crops, some of which, or most of which crops will be in surplus.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield one additional minute to the Senator from Wyoming.

Mr. WILLIAMS. Mr. President, will the Senator yield to me?

Mr. BARRETT. I yield to the Senator from Delaware.

Mr. WILLIAMS. Those farmers are working on projects which have been authorized previously, and will not in any way be affected by the amendment of the Senator from Idaho. The Senator from Idaho is speaking only about that which will happen in projects which will be authorized in the future, and would have no connection with the situation the Senator from Wyoming has just described, as I understand.

Mr. BARRETT. Is that the situation?

Mr. WELKER. That is the situation. The PRESIDING OFFICER. The Senator from California.

Mr. KNOWLAND. Mr. President, I am willing to yield back my time, if the proponent of the amendment is prepared to yield back the remainder of his time.

Mr. DOUGLAS. Mr. President, I wonder if the Senator would be willing to allot 5 minutes to me, in order that I might address some questions to the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER].

Mr. KNOWLAND. On this amendment?

Mr. DOUGLAS. No; on another matter.

Mr. KNOWLAND. I would be glad to do so as a courtesy to the Senator, but since we have a good attendance at the present time, I was hopeful that the Sen-

ate might proceed to a vote on the pending amendment.

Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, for the purpose of clarifying the legislative intent of the bill before the Senate, as amended by the Hickenlooper amendment, I should like to address some questions to the distinguished chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER]. I am asking these questions because they are the ones which farmers from my own State have propounded, and the answers to them may well clarify this matter beyond doubt. I am also asking these questions, which I believe will clarify the legislative intent, rather than to offer an amendment, because of the great difficulties in writing an amendment which would cover all the variety of conditions on farms in the Corn Belt.

The language of the Hickenlooper amendment is as follows:

The Secretary shall require as a condition of eligibility for price supports on corn, that the producer agree to devote on acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program or the conservation reserve program, equal to 15 percent of such producer's farm base acreage for corn.

My first question is: Is it not correct that the 15 percent requirement in this section is a minimum requirement in order to be eligible for price support?

Mr. ELLENDER. The Senator is correct.

Mr. DOUGLAS. I thank the distinguished Senator.

The second question is: Under the amendment, is it not permissive for the producer to have an additional acreage in the acreage reserve program or the conservation reserve program, for which he will be paid in the same manner as for the initial 15 percent?

Mr. ELLENDER. The Senator is correct. It is up to the Secretary to decide that with the farmer.

Mr. DOUGLAS. I appreciate the answer of the distinguished Senator that under the Hickenlooper amendment farmers are not limited to the minimum requirement of 15 percent.

The third question is in several parts. Is there any maximum participation which is set under this amendment or in any other feature in the bill?

Mr. ELLENDER. No.

Mr. DOUGLAS. Is there any maximum participation as it pertains to the total tillable acres of any one farm?

Mr. ELLENDER. The only limitation pertains to the amount of authorization, and for the acreage reserve program the total amount is \$750 million for each year's crop reduction, and for the conservation reserve program the amount is \$350 million for each year.

Since the bill has been debated on the floor, there has been imposed a limitation of \$25,000 to any person under the acreage reserve program, and a limitation of \$7,500 to any person who participates in the conservation reserve program.

Mr. DOUGLAS. Is it not also clear, therefore, that except for the limitations

on dollar amounts for any one farm or the total amounts in the bill, a farmer could put up to, say, 25 percent of his tillable acres in the acreage reserve and/or the conservation reserve, under the Hickenlooper amendment?

Mr. ELLENDER. The Senator is correct, provided the Secretary agrees to it.

Mr. CAPEHART. If the Senator will yield, more than 25 percent could be put up.

Mr. ELLENDER. There is no limitation in that respect.

Mr. CAPEHART. It could be 100 percent.

Mr. ELLENDER. If the Secretary so desires, it could be 100 percent, provided the \$25,000 and \$7,500 limitations are not exceeded.

Mr. WILLIAMS. Mr. President, the amendment which I have at the desk was offered solely for the purpose of giving the Senator from Idaho time to speak. Now that the amendment is going to be voted on, which amendment I think should be adopted, I withdraw my amendment.

Mr. MALONE. Mr. President, what is the parliamentary situation?

Mr. WILLIAMS. My amendment was merely to strike out line 10 on page 1 of the amendment of the Senator from Idaho. It was offered solely for the purpose of giving the Senator from Idaho time to explain his amendment. Now that the purpose has been accomplished, I withdraw my amendment, so the Senate can proceed to vote on the amendment of the Senator from Idaho.

Mr. WELKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WELKER. The order of business now is the modification of my original amendment. Is that correct?

The PRESIDING OFFICER. The order of business is the amendment of the Senator from Idaho as modified.

Does the Senator from California yield back the remainder of his time?

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. In answer to a previous inquiry, the Chair said "as modified." Does the Chair mean the amendment as modified by the amendment of the Senator from Utah?

Mr. WATKINS. I did not offer it. The Senator from Idaho did.

Mr. WILLIAMS. Mr. President, the amendment upon which time was sought was merely a technical amendment, in order to gain time.

Mr. KUCHEL. I understand that, but I wanted to be sure what the modification was which the Chair said was the pending business.

The PRESIDING OFFICER. Is the Senator from California prepared to yield back the remainder of his time?

Mr. BARRETT. Mr. President, will the Senator from California yield me 2 minutes?

Mr. KNOWLAND. I yield 2 minutes to the Senator from Wyoming.

Mr. BARRETT. I take this time in an attempt to straighten out the situa-

tion with respect to the proposed modification of the amendment. I want to read it and ask the junior Senator from Idaho just what the amendment means:

That for a period of 5 years from the date of enactment of this act no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall be produced on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodities prior to the construction of such project.

I should like to ask the Senator a question. There is in existence a conference committee on the Small Projects Act, which is working at the present time. I happen to be working on that conference committee. In our State there is a natural-resources board, which develops irrigation projects. We hope those projects are going to be authorized under the Small Projects Act and included as Federal irrigation projects. Do I correctly understand that the purpose of the amendment is to prohibit anybody who develops lands under the Small Projects Act from growing any crop which the Secretary of Agriculture declares to be in surplus at the present time?

Mr. WELKER. For a period of 5 years.

Mr. BARRETT. For a period of 5 years?

Mr. WELKER. Yes.

Mr. BARRETT. Then that means one of two things: either they could not develop the small projects; or, second, they could not grow anything on the small projects.

Mr. WATKINS. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. KNOWLAND. Mr. President, I yield 2 minutes on the bill itself to the Senator from Wyoming, so that he may yield.

Mr. WATKINS. I thank the Senator from California.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 2 minutes on the bill.

Mr. BARRETT. I thank the Senator from California. Now I yield to the Senator from Utah.

Mr. WATKINS. The 5 years will begin with the enactment of this bill. All projects thereafter authorized could begin using the water on their lands under drainage or irrigation within 5 years from the time of the enactment of the bill. But it will take 4 or 5 years to construct many of the projects. So many of them would not be affected.

Mr. BARRETT. No, Mr. President; I beg to differ with the Senator from Utah. Insofar as Wyoming is concerned, many of these projects are already under construction, and are waiting for the Small Projects Act to be placed on the statute books, so they can comply with that act. The lands can be put under irrigation in less than 1 year.

Mr. WILLIAMS. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I yield.

Mr. WILLIAMS. Why should the United States Government, when acting by means of one agency, authorize proj-

ects which will bring into production millions of acres of land to be used for the raising of agricultural products which already are in surplus supply, when at the same time we are approving a soil bank in connection with which we shall pay more than \$40 or \$50 an acre to farmers to take existing agricultural land out of production? Such a procedure simply does not make sense.

Mr. BARRETT. Mr. President, the population of the United States is increasing at the present time at a terrific rate, and the time may come in the very near future when we shall need to raise crops on this land.

Mr. WILLIAMS. That may be; but in that event his amendment will be nonoperative, because then we would not have a surplus of agricultural products.

Mr. BARRETT. But it is wholly inequitable to say to those who have been developing these lands, for the purpose of putting them into production—

The PRESIDING OFFICER. The time yielded the Senator from Wyoming has expired.

SUPPORT PRICE GRAIN CANNOT BE FED TO LIVESTOCK AND BREAK EVEN—BAD PRECEDENT

Mr. MALONE. Mr. President, will the Senator from California yield time to me?

Mr. KNOWLAND. Mr. President, I yield 2 minutes on the bill to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 2 minutes on the bill.

Mr. MALONE. Mr. President, I should like to say to the Senator that there is another feature to this situation that would establish a dangerous precedent: Our section of the country is 1,500 miles from the areas where the surplus crops are being produced.

We cannot buy those surplus grain crops and ship them to our Western States and feed the cattle, sheep, or hogs and break even. Surplus crops are not being produced in my State, for example.

I shall vote for Secretary Benson's flexible price-support bill, which he favors because he is buried under the surplus and is trying to do something about it.

The principle of guaranteeing a profit on something of which there is an annual surplus production is wrong, but World War II created a situation which must be met and I believe the Secretary is doing everything he knows how to meet it.

Mr. Benson says he is trying to sell at world prices and to give away large quantities of surplus crops. But when he gives it away to foreign countries he takes the market away from other foreign countries already furnishing such markets.

He trades the surplus grain for foreign minerals and closes the mines in this country. So he is just shifting the weight around.

Many Government officials do not understand that the western areas cannot pay the support price and feed the grain, neither could the Middle or Eastern States pay a support price for western grain and feed it to their livestock.

If this precedent is once established that no further western development may be undertaken as long as there is a surplus of grain in the Central States, that will be the end of such development—because there will be no end to the surplus at the support price.

Mr. WILLIAMS. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I am glad to yield.

Mr. WILLIAMS. The amendment applies to irrigation projects, which could be in Delaware or in any other State of the Union. In fact, the Senator from Nevada is wholly out of line when he says that Nevada is so far from the breadbasket in the Midwest that it cannot obtain the grain. When we are shipping grain thousands of miles across the oceans, and giving it away in foreign lands, of course, the grain can be shipped to any State in the Union.

Mr. MALONE. But we only give the grain to the foreigners—none is given to the cattle, sheep, or hog feeders in this country. The livestock men in the West cannot pay the support price for the grain, and feed it to their cattle, sheep, or hogs and break even. If they paid the support price for that grain, they would lose 50 cents a day on every steer in the feed lot.

The Department of Agriculture did say, in the fall of 1954, that grain would be sold in designated disaster areas at a reduced price—but after the ranchers had made such purchases they sent investigators there and in all cases when it was found that these men were able to borrow enough money to pay the full support price they sent them a bill for the difference. It developed they had to be broke as well as in a disaster area to get the reduced price.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the modified amendment of the Senator from Idaho [Mr. WELKER]. [Putting the question.] The "noes" appear to have it.

Mr. WELKER. Mr. President, I call for a division.

On a division, the amendment, as modified, was rejected.

SCHOOL MILK AND BRUCELLOSIS-ERADICATION PROGRAMS—CONFERENCE REPORT

Mr. MONRONEY and Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. ELLENDER. Mr. President, will the Senator from Oklahoma yield to me? There is a privileged matter at the desk.

Mr. MONRONEY. Mr. President, I ask unanimous consent that I may yield to the distinguished chairman of the Committee on Agriculture and Forestry, without losing the floor.

Mr. ELLENDER. Mr. President, there is a privileged matter at the desk; it is the conference report on H. R. 8320.

Mr. KNOWLAND. Let me ask about this matter, Mr. President.

Mr. ELLENDER. It is the conference report on H. R. 8320, the so-called school-milk and brucellosis bill.

Mr. KNOWLAND. Mr. President, a number of Senators have requested that the absence of a quorum be suggested when that conference report is ready for our consideration. So I now desire to suggest the absence of a quorum, and to request unanimous consent that the time required therefor not be charged to either side, in connection with our consideration of the farm bill.

Mr. ELLENDER. If it will take any great length of time for us to act on the conference report, I shall postpone my request that it be brought up.

Mr. KNOWLAND. However, a number of requests have been made of me to suggest the absence of a quorum before the conference report is considered by the Senate.

Mr. ELLENDER. Very well.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that at this time there may be a quorum call, without charging to either side the time required for the call of the roll.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. MONRONEY. Mr. President, will the time required for the quorum call be charged to the time available to me?

Mr. KNOWLAND. No; I would not wish to have the Senator from Oklahoma taken from his feet.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? Without objection—

Mr. CURTIS. Mr. President, has the Senator from Oklahoma been recognized for the purpose of submitting an amendment?

The PRESIDING OFFICER. The Senator from Oklahoma has been recognized; he has not yet stated his purpose in seeking recognition.

Mr. MONRONEY. Mr. President, I have not yet submitted an amendment. However, as I understand, I was recognized when I addressed the Chair as acting majority leader.

I was not aware that any other arrangement had been made; I was not aware that the Senator from Nebraska wished to submit an amendment at this time.

However, since I now understand that the Senator from Nebraska desires to submit an amendment at this time, I shall surrender the recognition the Chair has extended to me; and I request that I be recognized following the remarks of the Senator from Nebraska [Mr. CURTIS], in submitting his amendment.

Mr. KNOWLAND. Mr. President, I join in that request. I did not know the distinguished Senator from Nebraska was on his feet, seeking recognition.

However, Mr. President, I still ask unanimous consent that at this time there may be a quorum call, prior to the presentation of the privileged matter to which reference has been made; and I ask that the time required for the quorum call not be charged to either side, and, also, that the suggestion of the absence of a quorum at this time shall not cause the distinguished Senator from Nebraska to lose his right to the floor, but that, instead, after our

action on the privileged matter has been completed, he then have the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

The absence of a quorum having been suggested, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8320) to amend the Agricultural Act of 1949 and the Agricultural Act of 1954 with respect to the special school milk program and the brucellosis eradication program for the fiscal year ending June 30, 1956. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8320) to amend the Agricultural Act of 1949 and the Agricultural Act of 1954 with respect to the special school milk program and the brucellosis eradication program for the fiscal year ending June 30, 1956, having met after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments to the text of the bill and to the title of the bill.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
MILTON R. YOUNG,
Managers on the Part of the Senate.

HAROLD D. COOLEY,
W. R. POAGE,
T. S. ABERNETHY,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. ELLENDER. Mr. President, I do not care to engage in any extended debate on this subject. We had quite an extensive debate yesterday, and covered all phases of the subject most thoroughly.

The House and Senate conferees met, as I said I would try to have them meet, this afternoon instead of this morning at 11 o'clock. The Senate conferees receded from the amendments of the Senate, that is, to extend for 2 years the brucellosis eradication program and the special school milk program.

The approval of this conference report will mean that additional money, to the extent of \$2 million will be provided to carry on the brucellosis eradication program, and \$10 million additional for the school milk program, up to June 30, 1956. That is what the con-

ferees agreed to. It is my sincere belief that the only procedure under which funds can be provided to carry out the two programs through the end of this fiscal year is through the adoption of this conference report, as I suggested yesterday. Failure to adopt the conference report will simply prolong the deadlock indefinitely, and may bring about a shutdown of both programs in the immediate future.

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HICKENLOOPER. It is my desire to make a motion to recommit the conference report to the conferees with instructions to the Senate conferees to insist on the Senate amendments. I am asking the advice of the Chair as to the propriety of such a motion, and whether the motion I am about to make would be in order.

The PRESIDING OFFICER. The Chair is advised that such a motion would be in order.

Mr. HICKENLOOPER. Then, Mr. President, I move that the conference report be recommitted to the conferees with instructions to the Senate conferees to insist on all Senate amendments.

Mr. President, this is an utterly simple problem. The Senate of the United States has, twice within the past 4 weeks, passed unanimously, so far as I know, on the proposal for a 2-year extension of the brucellosis eradication program and the school milk program, and the provision of extra money, as provided by the Senate amendments.

Yesterday we had a long debate on the question of inserting that same provision in the farm bill. I am advised by Members of the House today that there was considerable discussion on the floor of the House, and, while, of course, I could not say absolutely, until the vote came, that such a thing would happen, the likelihood is that if the House ever had an opportunity to vote on the 2-year extension, it would be unanimously passed, and that the Senate amendments would be unanimously accepted.

The trouble is that the House has not had an opportunity to act upon the question because of the failure on the part of the House conferees to meet, until this afternoon at 3 o'clock.

I have no criticism of the Senate conferees. I disagree with them. They have their responsibilities and their attitudes. However, there have been two unanimous expressions on the part of the Senate. One was about 25 or 26 days ago, when we unanimously approved the 2-year extension of the brucellosis eradication program and the school milk program. No later than yesterday, by a vote of 89 to 0, as I recall—at least, it was unanimous consent so far as Senators who were present were concerned—we again approved the 2-year extension of these programs. If there is anything that makes assurance doubly sure that the Senate is unanimous in its determination to have a 2-year extension of the brucellosis program and the school milk program, with added money, it is those two votes.

next week. I think the way I have outlined offers the best chance of getting a 2-year program, and taking it out of the confusion and the uncertainty of the farm bill.

Mr. HOLLAND. Mr. President, it seems to me we are in somewhat the same situation we were in at about this time yesterday. All of us want the same legislation. All of us have the same objective, but we find we have different ways of getting to that objective.

I would like to have the one bill dispose of both the brucellosis and the milk school lunch programs at once. I voted that way in the conference, but when I found that a majority of the conferees preferred that, after this length of time, we get part of the objective out of the way, and that we were going to file that kind of report, I joined them in it, because I do not think it is a matter of great substance. The question is one of means and methods, and a matter of getting something done on which we are all agreed.

I am sure my distinguished friend from Iowa and my equally distinguished friend from Vermont are on completely sound ground in anticipating and predicting what the House will do. I am not able to predict, with any certainty, what the House of Representatives will do on this or any other matter. I say it with some regret, but I am not able to predict what the Senate will do on any particular measure, particularly in connection with this very complex bill.

It seems to me we ought to confirm what the majority of the conferees have selected as the way to go. I think then, if the House feels so strongly about this matter as has been indicated by our distinguished friends from Vermont and Iowa and refuses to approve the act of the majority of our conferees, we shall have a different situation, in which we can retrench and start all over, if we want to do it.

My own feeling is that we are making headway very slowly on the main issue, the omnibus bill. My own feeling is that the bill has been so amended that not only is it very apt to have long and exhaustive conferences, but even if it should come out of conference in as good shape as it comes out of the Senate, it will be apt not to become law. I am not in touch with the President. I do not know what he is going to do. I base my own conclusion only on what he has done in the past and on what his Secretary of Agriculture has advised in the past. I do not think either of them could retain their self-respect and their objectives if they approved the bill with the provision in the bill which was adopted this morning providing for dual parity. That being the case, it seems to me that we should clear the desk of this small matter.

We have the assurance of the distinguished chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], that if the main bill becomes tied up in conference, he is agreeable to pushing for immediate consideration of a new measure which will extend these two important programs, in which all of us are interested.

Mr. YOUNG. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I shall yield; but before yielding, Mr. President, let me say that I do not think any of us can predict with certainty what will happen to such a measure at the other end of the Capitol.

I should like to have us approve what is now before us, since the conference report has met with the approval of a majority of the conferees. I was not one of the majority, but I signed the conference report because I think the argument is simply over the ways and means of getting the job done at this stage.

So I hope the conference report will be approved.

Now I yield to the Senator from North Dakota.

Mr. YOUNG. Is it not true that almost every Member of the Senate, if not every Member, is in favor of this program?

Mr. HOLLAND. Yes. The Senate voted unanimously for the program only yesterday.

Mr. YOUNG. That is also true in the House, too. So if we do not get the omnibus farm bill, we could easily legislate on this subject by means of a separate bill.

Mr. HOLLAND. That was the position of a majority of the conferees on the part of the Senate and a majority of the conferees on the part of the House. However, I do not think that is a controlling consideration. But the matter of the approach to be taken is of such minor consequence that I think we should go along with the majority of our conferees and should finish the job now. We have the assurance of the distinguished chairman of our committee—who has meticulously lived up to every assurance he has ever given me—that he is willing to come back immediately with a separate bill in regard to both these programs, if the conferees become bogged down on the omnibus bill.

I am glad that my friend, the Senator from Iowa [Mr. HICKENLOOPER] is smiling, for this is an occasion for smiling, for all of us are trying to accomplish the same thing.

But at this time I urge that the Senate agree to the conference report. Certainly the conference report should have some standing here on the floor of the Senate.

Mr. HICKENLOOPER. Mr. President, I was smiling because we have an excellent chance right now to provide for a 2-year program. We can do that now by rejecting the conference report, requesting a further conference, and instructing our conferees to insist upon the amendments approved by the Senate, and then waiting to see what the House of Representatives does. If the conferees on the part of the House do not agree with the Senate conferees, then we can pass a separate bill on this subject.

Mr. HOLLAND. Mr. President, the Senator from Iowa is very persuasive; but the one feature on which he is not conclusive is that the House has the power to refuse to agree to our request

for a further conference, regardless of what we in the Senate may do.

Mr. HICKENLOOPER. There is no question about that. But not later than yesterday the Senate voted 89 to 0 in favor of the Humphrey amendment, on the same subject as that now before us, by means of the conference report, and containing the same language as that of the Senate amendments. At that time we thought we were insisting on those provisions. That vote was taken yesterday, and there was not a vote against the amendment.

So what is the reason for not testing out the suggested arrangement, at least? If we do, there will be no disrespect to the conferees. Let us test it out. Let us reject the conference report, and request a further conference, and in that way express ourselves today as we did not 24 hours ago by unanimous vote. The delay will be only a few days.

So let us follow that course, instead of waiting for several months, and then perhaps having to go through the entire process, in connection with a new bill. To do that would not be worthwhile. Instead, we have an opportunity to proceed right now.

Mr. HOLLAND. Mr. President, the Senator from Iowa knows there was deep division between the conferees. The Senate conferees were divided 3 to 2, and the House conferees were divided 3 to 2.

Inasmuch as only a question of procedure is now involved, it seems to me that is too minor a matter for us to bicker about, as between the two Houses. If the House is as deeply rooted in its convictions in support of the position taken by two of its conferees—as opposed to the position taken by the other three of its conferees—as the distinguished Senator thinks is the case, we shall learn that a few minutes after the conference report as approved by us reaches the House of Representatives; and that will be the occasion for us really to reexamine our situation.

Mr. HICKENLOOPER. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. HICKENLOOPER. What we would be doing today, in so easily succumbing and giving in on the Senate amendments, would be utterly a reversal of the very strong position the Senate took by unanimous action only yesterday.

I submit that we should give it a trial, and should give the House the encouragement of the unanimous position of the Senate. I have full faith in the outcome in the House of Representatives.

Mr. HOLLAND. Mr. President, I close by repeating my original statement: I was in the minority among the conferees. Yet we had no bitterness. We had no argument that would keep us from submitting to the Senate the position taken by a majority of the conferees on a question of procedure only, in the case of a report which expresses the will of a majority of the Senate conferees and a majority of the House conferees.

I think the Senate should at this time approve the conference report, and then

proceed to the consideration of more important matters.

Mr. YOUNG. Mr. President, will the Senator from North Dakota yield to me?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. Yesterday, was not the whole argument in regard to the need to have the authorization made, so that the programs could continue until July 1? I thought that was the substance of the entire discussion on yesterday.

Mr. HOLLAND. No; the entire discussion on yesterday was about the question of procedure, about the way we should proceed, because we have voted unanimously in favor of the entire program.

I am as strongly in favor of the whole program now as I was then. But if we cannot do all of it at once, let us do part of it now, and then go on to the rest.

Mr. YOUNG. Mr. President, will the Senator from Florida yield further to me?

Mr. HOLLAND. I yield.

Mr. YOUNG. I, too, am strongly in favor of the whole program. So I think the question now is only one of procedure.

I do not think we can afford to antagonize the House conferees, inasmuch as the omnibus bill will soon be coming up.

If I were one of the House conferees, I think I would resent some of the present action on the part of the Senate.

Mr. HOLLAND. Of course I may not be animated by exactly the same consideration as is the Senator from North Dakota; but certainly I subscribe to his feeling that the question before us is one of procedure. I think the Senator from North Dakota knows that I would not give up on what I regard as a matter of principle; if a matter of principle were involved, I would not sign a conference report which I had voted against—as I have in this case.

So I think we are dealing with a matter of procedure which is of such minor nature that we should get the job done now, and not delay.

Mr. President, I call for approval of the conference report.

Mr. AIKEN. Mr. President, I shall take only 1 minute: The question before us is whether we shall vote for a 90-day extension of the school-milk program and the brucellosis-eradication program, and then throw the whole matter of the future existence of the programs into the precarious political pot which we call the farm bill; or whether we shall here and now vote for a 2-year extension of the school-milk program and the brucellosis-eradication program.

Senators who are in opposition to a 2-year extension of the programs will vote against the motion of the Senator from Iowa.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Iowa [Mr. HICKENLOOPER] to recommit the conference report, and request a further conference with the House of Representatives, with instructions to the Senate conferees to insist upon the Senate amendments.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Louisiana [Mr. LONG] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Louisiana [Mr. LONG] would each vote "yea."

The result was announced—yeas 46, nays 48, as follows:

YEAS—46

Aiken	Dirksen	Millikin
Allott	Duff	Mundt
Barrett	Dworshak	Payne
Beall	Flanders	Potter
Bender	Guldwater	Purtell
Bennett	Hickenlooper	Saltonstall
Bricker	Hruska	Schoeppel
Bridges	Ives	Smith, Maine
Bush	Jenner	Smith, N. J.
Butler	Knowland	Thye
Capehart	Kuchel	Watkins
Carlson	Langer	Welker
Case, N. J.	Malone	Wiley
Case, S. Dak.	Martin, Iowa	Williams
Cotton	Martin, Pa.	
Curtis	McCarthy	

NAYS—48

Anderson	Hayden	Monroney
Barkley	Hennings	Morse
Bible	Hill	Murray
Byrd	Holland	Neely
Chavez	Humphrey	Neuberger
Clements	Jackson	O'Mahoney
Daniel	Johnson, Tex.	Pastore
Douglas	Johnston, S. C.	Robertson
Eastland	Kennedy	Russell
Ellender	Kerr	Scott
Ervin	Laird	Smathers
Frear	Lehman	Sparkman
Fulbright	Magnuson	Stennis
George	Mansfield	Symington
Gore	McClellan	Thurmond
Green	McNamara	Young

NOT VOTING 2

Kefauver Long

So Mr. HICKENLOOPER's motion to recommit was rejected.

The VICE PRESIDENT. The question is on agreeing to the conference report. [Putting the question.]

The report was agreed to.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. CURTIS. Mr. President, I call up my amendment 3-9-56-B.

The VICE PRESIDENT. Does the Senator from Nebraska desire to have his amendment read? It is a long amendment.

Mr. CURTIS. The amendment has been printed. It is not necessary to read it.

The VICE PRESIDENT. Without objection, the text of the amendment will be printed in the RECORD at this point.

The amendment offered by the Senator from Nebraska [Mr. CURTIS] was, on page 30, between lines 17 and 18, to insert the following:

COMMISSION TO PREPARE LEGISLATION PROVIDING FOR INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

SEC. 310. (a) (1) There is hereby established a Commission on Increased Industrial Use of Agricultural Products (hereinafter re-

ferred to as the Commission). The Commission shall be composed of five members to be appointed by the President. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, legislative draftsmen, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than April 15, 1957, the necessary draft, or drafts, of legislation which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the draft or drafts referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying a draft or drafts of proposed legislation presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Mr. RUSSELL. Mr. President, may we have order in the Senate.

The VICE PRESIDENT. The Senate will be in order.

Mr. CURTIS. Mr. President, I yield myself 12 minutes.

The amendment is basically the same as the bill that I introduced, S. 2940, and about which I spoke on March 7. My remarks can be found on page 3673 of the RECORD. A copy of that bill was earlier placed on the desk of each Senator. However, I wish to call attention to the fact that some important changes have been made.

This amendment calls for a Commission to be appointed by the President to prepare legislation to promote the industrial uses of agricultural products not needed for human or animal consumption.

If there has been one central idea running through the length of this debate, it has been that the American farmers want and need to farm more of their acreage. There has been a demand for more cotton acreage, for more corn acreage, and the producers of wheat and rice and every other product would like to expand in their production. The doctrine of scarcity is not only expensive for our Government, but it curtails production to the point where the small family-sized farmer finds extreme difficulty in operating.

We need new markets. Where shall they be found?

We must agree that the day that we can expend our foreign trade has greatly disappeared. With our help, many of the nations of the earth that once were food deficit areas, are now not only self-sufficient, but are also producing a surplus. The greatest market that we can find any place in the world is right here at home.

We are living in an industrial age. Today, the American, regardless of where he lives, has more gadgets and machines and equipment than ever before. Almost all production is mechanical. Unless the farmers can share in this industrial market, they will be out of step with the rest of our economy and they cannot be a prosperous and self-supporting segment of our population.

There are many opportunities in the field of industrial uses. The production of our broad fertile acres can be used industrially. Let us take the case of motor fuel. It is estimated that in 1955, the motor cars of the country burned 55 billion gallons of gasoline. Were we to blend alcohol in that gasoline to the extent of 5 percent, it would require 1 billion bushels of grain. Do any of you know where you can find a market for a billion bushels of grain?

This is not idle dreaming. The United States Department of Agriculture, in its report based on research done at Peoria, Ill., said in 1954, and I quote:

Because of extensive practical experience in the use of alcohol gasoline blends in foreign countries and laboratories and road studies made in this country, it is evident that the use of alcohol as a fuel for internal-combustion engines is practical from a technological standpoint.

Were we only to use a 3-percent alcohol blend in the gasoline burned in 1955, it would consume more than 630 million bushels of grain.

A bushel of grain will produce about 2½ gallons of alcohol. The residue constitutes a very high protein food for livestock, which will have a value that will equal the manufacturing cost.

There was a time when horses and mules provided the power, not only for farm operations, but for all local transportation. Millions of acres were used to produce the hay, alfalfa, and grain to feed the horses and mules. That market is gone. The farmers ought to be permitted to produce a portion of the motor fuel that they use in farming and transportation.

From a conservation standpoint it is better to use that which we can replace year after year than to use a depletable resource. Alcohol for motor fuel can be made from wheat and corn from the Middle West, from potatoes from Maine, from sorghum from Texas, from sweet potatoes from Georgia, or from any crop containing starch. Such a program will materially assist the farmers in every State in the Union.

I do not believe that such a program would be unfair to the petroleum industry. The wise leaders in that industry are concerned about the cost of government. The entire petroleum industry is benefited when we have prosperity in agriculture.

Every retailer, wholesaler, and distributor of gasoline would still handle the same volume of merchandise if a blend were used. Certainly the farmers of the country have as much right to a tiny portion of the motor fuel market of the United States as the importers of petroleum products, and we all know that these imports are considerable.

In addition to the potential market of alcohol for motor fuel, we have need for alcohol in our Government purchases. Alcohol is used in the airplane industry, for rockets, guided missiles, turbo jets and reciprocating engines. At the present time, that alcohol is being made largely from petroleum products and from imported black strap molasses. With the United States Government the owner of huge quantities of surplus grain, why shouldn't that grain be used to supply the Government's need for alcohol for defense establishments?

Our rubber needs also provide a potential market for farmers. If all of the synthetic rubber made in this country in 1955 had been made from alcohol made from grain, it would have required more than 307 million bushels. Had the natural rubber that we used in this country been displaced by a synthetic rubber made from alcohol made from surplus grain, it would have taken an additional 221 million bushels of grain.

We made great quantities of rubber from alcohol made from grain during World War II. We can do it again. These are just two of the potential markets in this country for surplus farm products. Plastics offer possibilities, too.

The domestic cotton producers face a shrinking market, due to the increased

foreign production and increased domestic use of cotton substitutes. While cotton may not afford the wide opportunity for chemurgical research that is present in surplus grain, there are many important objectives to be studied.

Chemical additives to cotton fabrics resulted in materials that are flame-resistant, water-resistant, and wrinkle-proof. Cotton can conceivably be used in many end products now supplied by imported jute and hemp. Rug backing, twine, and bale coverings are ready examples.

Mr. President, these suggestions are not visionary. We have the benefit of more than a quarter century of research, proving that these things are possible. They just have not been applied by industry.

Unless we develop industrial uses for the products of our farms, we can expect to continue to spend huge sums, such as a million dollars a day, for storage. We can expect to continue to appropriate over a billion dollars a year to finance agriculture. We can also expect that the acreage that farmers are permitted to farm will continue to be cut and cut and cut. This means the disappearance of countless small and middle-sized farms, because only the large units will have enough acres left to farm efficiently. Let us, today, take the first step in launching out on a positive program of greater uses of the products of the farm.

It is necessary that we have Government action to start such a program. We must have one that has stability upon which farmers and businessmen can rely. I believe it can be accomplished under our system of private enterprise. It will have to have Government direction. It may mean some Government help, such as has been extended to other infant industries. It will be cheaper in the end, however, and it will save the family-sized farm in America.

The time has come when we should say to our experts who believe that a greater market can be found here at home for the products of the farm to present their plan and then have it considered by the Congress. To support this amendment binds no one to support or approve whatever is proposed by the Commission.

This amendment calls for the creation of a commission of five. They must be representative of the various phases and segments of American agriculture. They would have until April 15, 1957, to study the various possibilities, and with the aid of technicians, draftsmen, chemists, engineers, lawyers and others, prepare the necessary draft, or drafts, of legislation for the Congress to consider. There is no way the adoption of this amendment can do any harm. I believe that it will do a great deal of good. It is not in conflict with any part of this bill, and I urge its adoption.

Mr. RUSSELL. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. RUSSELL. I wish to say that I have examined the last part of the amendment proposed by the distinguished Senator from Nebraska, and I

hope very much that the committee will agree to accept it. In any event, I intend to support it. In the very dire emergency in which we find ourselves today we cannot fail to pursue any path which may lead us to a means of disposal of the products of American farms at prices profitable to the American farmer, and relieve the burden of the American taxpayer. The total amount which the amendment provides for the cost of the commission is only \$150,000. That is completely insignificant considering the possibilities of even one development that would aid us to solve the problem which confronts us today.

I think the Senator from Nebraska is standing on completely sound ground, and I hope the Senate will adopt the amendment, and that something can be worked out that will open up a new avenue for disposing of the products of American farms. It will not only help the farmer, but it will certainly help the taxpayer, when we consider the large sum of money which it is now necessary to expend.

Mr. HRUSKA. Mr. President, will my colleague yield?

Mr. CURTIS. Mr. President, I yield to my colleague from Nebraska.

Mr. HRUSKA. Mr. President, I should like to take this opportunity to commend my colleague for the patient work he has put into this amendment. It is a constructive piece of work. It is bottomed on a great deal of technical and educational research and will go a long way toward making progress in a very wholesome way in dealing with the problems which we have been debating for the past 3 weeks.

Furthermore, Mr. President, the approach which the Senator has used will result in a fresh approach, and have an impact on men who will be possessed of hope and faith in the future, and will bring their talents to bear on the solution of the problems, rather than to have it administered by those who would probably try to interpose obstacles which might be used as reasons why it cannot work.

It is my sincere hope that the Senate will adopt this amendment without delay.

Mr. MARTIN of Iowa. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield to the Senator from Iowa.

Mr. MARTIN of Iowa. Mr. President, the formation of a commission as suggested by the Senator from Nebraska would be, I believe, a very real step in the right direction.

Mr. President, I am happy to cosponsor and support the amendment offered by my distinguished colleague from Nebraska. I have served with the Senator in the House of Representatives and the Senate for almost 18 years. I know how faithfully he represents his State and the people of Nebraska.

Today we are discussing the farm program for 1956. No one can study this problem, or even listen to the debate on the various amendments that have been proposed, without realization of the intricate and vital part that accumulated surpluses of farm products play in the overall farm picture. Many of the pro-

visions of the farm program now being debated are aimed at minimizing the danger that surpluses hold for our farm economy. Much of the activity of the Agriculture Department is directed toward this problem. For example, we are concentrating on developing foreign markets for our agricultural surpluses. In fiscal 1954 exports went up 7 percent and in fiscal 1955 they went up another 4 percent.

Certainly I shall support the general outlines of the farm program that is directed toward correcting this problem. I appreciate the increased foreign markets program of the Department of Agriculture but the amendment offered by the Senator from Nebraska adds another ingredient in this formula for increased farm prosperity. It provides for the formation of a commission to study the problem of finding new and profitable uses for the products of the farm by the industrial genius of our economy. Its basic philosophy is good. It is an affirmative approach to a problem that needs constructive attack. It is aimed at using the full facilities of our varied and highly effective American economy.

The story of our individual development is one of the brightest pages in the saga of our American development. We have pioneered the world in developing the facilities of transportation and communication. The Commission To Study New Uses of our Farm Products by Industry will help to mobilize that same American genius in solving one of our most critical problems—the need for improvement of agriculture in our economy.

On the 7th of March the Senator from Nebraska made a speech on the floor of the Senate explaining the purposes and goals of this amendment. He outlined the problem in a clear manner. He explained the potentials of his amendment in concise terms. I was particularly happy to hear his detailed references to the part alcohol may play in helping to use constructively our surplus farm products.

One of the byproducts of the proposed commission should be the consolidation and correlation of the individual patterns of research that have already been developed. Many of the agriculture schools of the Nation, many private industries, and a number of foreign countries have been studying this problem. The commission that would be established under this amendment would serve as an agency of correlation. It would fit together the various pieces of this puzzle so that a complete picture of the problem might be formed. It would seem to me that putting the pieces of this puzzle together might indicate we are closer to the solution than we think.

Mr. President, I am happy to support this amendment. We must exhaust every possibility, survey the ground along every road to make certain we attack the farm problem from every angle. This amendment is eminently worthy of passage by the Senate.

Mr. WILEY. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield to the Senator from Wisconsin.

Mr. WILEY. I am agreeably surprised at this new approach, which I think is a proper approach to the solution of the problems which we are facing in the field of surpluses.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The time allotted to the Senator from Nebraska has expired.

Mr. CURTIS. Mr. President, I yield myself 2 additional minutes.

Mr. WILEY. Mr. President, in this atomic age, when we are delving into the mysteries of matter which we have never before thought of, I am satisfied that if the course suggested in the Senator's amendment is pursued by men of vision, we shall get away from trying to legislate with reference to all our economic questions.

I congratulate the Senator from Nebraska, and I shall be very happy to support his amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. CASE of South Dakota. Mr. President, I wish to say that this amendment may furnish the most constructive feature of the entire bill. It has that possibility. The Senator from Nebraska follows in the footsteps of his distinguished predecessor, the late Kenneth Wherry. I commend the Senator for his activity in this field.

Mr. CAPEHART. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. CAPEHART. I wish, likewise, to congratulate the Senator from Nebraska, because I think his amendment should be made a part of the bill. The only objection I would have is that we should do the job now, and I shall introduce next week a bill on which I think there should be hearings, and which I think will go into the question a little more deeply than does the amendment of the Senator from Nebraska.

But I certainly congratulate the Senator, and I shall vote for his amendment. I think it proceeds in the right direction.

Mr. CURTIS. Mr. President, I now yield to the junior Senator from Colorado.

Mr. ALLOTT. Mr. President, I was happy to join with my colleagues and neighbor from Nebraska in the introduction of S. 2940, a bill to establish a commission to prepare legislation providing for increased industrial use of agricultural products, which is similar to the purpose of the amendment offered by the Senator from Nebraska to the farm bill.

For years we have been discussing ways in which to dispose of our surplus crops. I believe every avenue has been explored, except the one proposed by the Senator from Nebraska. The amendment offers by far the greatest unknown, untrod avenue for the disposal of surplus agricultural crops that lies before us at the present time. For that reason I am happy to join with the Senator in urging the adoption of the amendment.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. MUNDT. As one of the coauthors of the basic legislation which gave rise to the amendment, I assure the Senator from Nebraska that I shall support his amendment now.

Within the last 48 hours I had the privilege of appearing on a television program in which the Department of Agriculture demonstrated certain of the products which it is already producing as the result of the industrial uses of farm products. Included among the products were a very attractive looking raincoat made from farm products; a very attractive topcoat made primarily from corn mixed with hay; material from which to make dresses; and garden hose.

We already know that there is much that can be done, but we have just begun to scratch the surface.

I am certain that such a mechanism as the Senator from Nebraska proposes, once it is set in motion on a full scale and at full speed ahead, can do much to provide new markets for farm products, thus helping to whip the devastating problem of surplus commodities.

Mr. CURTIS. I thank the Senator from South Dakota.

The PRESIDING OFFICER. The time of the Senator from Nebraska has again expired.

Mr. CURTIS. Mr. President, I ask unanimous consent that, as part of my remarks, there may be printed in the RECORD the names of the 18 Senators who are the coauthors with me of S. 2940, which is similar to the amendment under consideration.

There being no objection, the names of the Senators were ordered to be printed in the RECORD, as follows:

Mr. CURTIS, for himself, Mr. HRUSKA, Mr. AIKEN, Mr. MUNDT, Mr. CASE of South Dakota, Mr. BARRETT, Mr. ALLOTT, Mr. YOUNG, Mr. MARTIN of Iowa, Mr. HICKENLOOPER, Mr. BRICKER, Mr. BENDER, Mr. JENNER, Mr. MCCARTHY, Mr. WATKINS, Mr. GOLDWATER, Mr. WELKER, Mr. DIRKSEN, and Mr. CAPEHART.

Mr. CURTIS. Mr. President, I am ready for a vote.

Mr. JOHNSTON of South Carolina. Mr. President, I do not think all the time which has been allotted to the amendment offered by the Senator from Nebraska will be taken. We are probably ready to yield back our time; but I have agreed to yield 15 minutes to the Senator from Arkansas.

Mr. CAPEHART. Mr. President, can we not take action on the amendment of the Senator from Nebraska?

Mr. JOHNSTON of South Carolina. So far as I am concerned, I favor the amendment; but I had already agreed to yield time to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from South Carolina has 30 minutes, which he can allot as he wishes.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 15 minutes to the junior Senator from Arkansas.

Mr. CAPEHART. Mr. President, can we not vote on the amendment now?

Mr. FULBRIGHT. Mr. President, the Senator from Indiana will save time if he will not interrupt the regular procedure.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 15 minutes.

TAX REDUCTION FOR LOW INCOME CORPORATIONS — AMENDMENTS TO H. R. 9166

Mr. FULBRIGHT. Mr. President, on February 3, I introduced two bills, S. 3128, cosponsored by Senators SPARKMAN, CAPEHART, KENNEDY, FREAR, BEALL, DUFF, MORSE, SMATHERS, LEHMAN, DOUGLAS, and HUMPHREY, and S. 3129, cosponsored by Senators SPARKMAN, CAPEHART, HUMPHREY, KENNEDY, BEALL, DUFF, MORSE, SMATHERS, LEHMAN, and DOUGLAS. Both of these bills would reduce the impact of Federal income taxes on low-income corporations. Since that date the House of Representatives has passed a bill, H. R. 9166, which would extend present corporate tax rates for an additional year. The extension of these rates was recommended by the President in his Economic Report to the Congress. I now submit two alternative amendments to H. R. 9166, which amendments adopt the proposals contained in S. 3128 and S. 3129, and in which I am joined by the same cosponsors.

Under present law, which the President wishes to continue, corporations generally are subject to a normal tax rate on net earnings of 30 percent, plus a surtax rate of 22 percent on net earnings in excess of \$25,000. The amendment patterned after S. 3129, which appears to be more compatible with current estimates of revenue requirements, provides a normal tax rate of 22 percent and a surtax rate of 31 percent. According to the staff of the Joint Committee on Internal Revenue Taxation, this would result in an estimated increase in revenue of approximately \$20 million.

The distribution of the benefits, or increased liabilities, under this proposal are shown in exhibit 1 which I shall furnish for the record at the conclusion of these remarks. The effects can be illustrated by these examples taken from the table. Corporations with incomes of \$25,000 and less would have their tax burden reduced by 26.7 percent. A corporation with income of \$100,000 would be given tax relief of 2.7 percent. Corporations with incomes of \$500,000 and over would have increased tax liabilities of from 1.1 percent, in the case of a corporation with that income, to 1.9 percent for a corporation with income of \$100 million.

The break-even point under this amendment occurs at the \$225,000 income level—all firms earning less than \$225,000 would receive a tax reduction and all firms earning more than \$225,000 would receive a tax increase. Obviously this redistribution of the impact of corporate taxes would benefit the low income corporations. While the tax relief afforded would be modest, I believe it would have a significant beneficial effect on the smaller businesses of the Nation.

Now, if it should be determined that a revenue loss is feasible, the Senate could adopt my other amendment which is patterned after S. 3128. This amendment would merely reverse the present

tax rates by providing for a 22 percent normal tax upon net earnings and a 30 percent surtax on all earnings in excess of \$25,000. The staff of the Joint Committee on Internal Revenue Taxation advises me that the revenue loss from this proposal would be somewhere between \$300 million and \$400 million. The Senate must consider whether the budget outlook is such that the revenue loss can be afforded. The effect of this alternative amendment upon the various income levels is shown by the table which appears in exhibit 2 to this statement.

Mr. President, a healthy community of small businesses is essential to national growth, national prosperity, and political health. We must prevent the development of an economic no-man's land for small business. This means that some form of encouragement must be devised for the modest-sized enterprise to enable it to grow and to remain strong.

As I see it, the chief competitive handicaps of the small business are: First, great difficulty and expense in obtaining equity capital; second, high interest rates upon borrowed money; and third, insufficient funds for management personnel. Our tax structure emphasizes and compounds these discriminations against small business.

The small businesses have three principal sources for funds with which to maintain and expand production: first, new capital investment; second, borrowing; and third, business earnings.

Small business has difficulty in obtaining equity capital because it does not have the large financial resources which will guarantee stockholders against severe loss on their investment. A small-business man who needs equity capital usually is told that the expense of raising up to \$300,000 in the securities market averages almost 20 percent and may reach 25 percent or 30 percent. He may ask, "Why," and point to the recent Ford or General Motors issues where the expense was a small fraction of 1 percent. But he must face the uncomfortable fact that it will cost him 40 or 50 times as much to tap the capital markets as it costs the larger corporations.

Because of the difficulty in obtaining equity financing, the small-business man usually must borrow money for a short term from a bank or other lender to realize his capital needs. Long-term borrowings in the securities markets would be subject to the same difficulties as equity financing. Interest rates are commonly established at 6 percent or even higher for the small-business man. The large corporations may either float a debt issue of securities or borrow money at interest rates of 3½ percent or 4 percent for long terms. This gives larger corporations a competitive advantage which reduces their costs and, therefore, could result in lower prices to customers or higher returns on their stockholders' investments.

In this connection, however, it is interesting to note that the lower costs made possible by these competitive advantages are not necessarily passed on to consumers. The FTC-SEC Quarterly

Financial Report for the second quarter of 1955 shows that corporate profits as a percentage of sales rise in proportion to the asset size of the corporation. For example, the smallest corporations—assets under \$250,000—earned only 1.1 cents per dollar of sales, while the largest corporations—\$100 million and over—were earning 7.4 cents per dollar of sales. This disparity in profits occurs while the largest manufacturing corporations increased their sales volume by 19 percent between the third quarter of 1954 and the third quarter of 1955, in contrast to a mere 3 percent increase in sales volume of the smallest manufacturing corporations. Thus, the small manufacturer is losing out in both volume of sales and percent of profit per dollar of sales.

The difficulties which the smaller corporation has in obtaining equity capital from stock issues or borrowings makes it much more dependent on retained earnings than are larger companies. Hence, unless its profits are greater, or its tax burden is less, the small company finds itself in a position of relative weakness compared to large companies with which it must often compete.

In terms of profits upon investment we find that corporations in the smallest category, as reported by the Federal Trade Commission and the Securities and Exchange Commission—those with under \$250,000 in assets—sustained a net loss in the fourth quarter of 1954, returned 3.6 percent upon their equity in the first quarter of 1955, returned 5.3 percent upon their equity in the second quarter of 1955, and returned 10.4 percent upon their equity in the fourth quarter of 1955. Contrast this record with that of corporations with \$100 million or over. During every quarter of the last year, they returned more than 13.5 percent upon the equity investment of their stockholders. During the second quarter of 1955 the return reached 15.0 percent. Furthermore, total corporate profits after taxes in 1955 have been exceeded only by profits in 1950. However, as shown by the statistics above, the profit ratios of the largest corporations greatly exceed the ratios of their smaller brothers.

By nature, the small-business corporation involves more risk, less diversification of product, and a smaller financial cushion against initial reverses. This is illustrated most dramatically by the business failure statistics based on companies listed with Dun & Bradstreet. Very few, if any, failures are recorded for large corporations, but the rise in these dismal statistics for small businesses has been alarming in recent years. In 1945 there were only 809 failures. In 1953 there were approximately 8,862. In 1954 there were 11,086. The latest reports for 1955 indicate that there were almost as many, 10,969, in that boom year as there were in 1954.

Either one of my amendments will not only permit the retention of more capital in the small business, so that less high-cost financing is necessary; but this retained income will also serve as a countervailing pressure against mergers and consolidations. The more favorable tax treatment for small corporations will enable many of them to survive whereas

they might otherwise end up among the failure statistics.

In addition to failures, statistics of the Federal Trade Commission show the following trend in the number of manufacturing and mining concerns acquired or merged during the last 30 years. Beginning in 1922, the number of mergers rose steadily from 297 to a peak of 1,216 in 1929. Thereafter, the number of mergers leveled off at less than 200 in 1932, and varied within a range from 87 to 419 throughout the 1940's. However, mergers rose rapidly in 1951, reached 822 in 1952, and stayed at a high level in 1953 and 1954.

While I do not pretend to be an expert on tax matters, it is very obvious to me that the ability to carry over business losses from one year, to offset profits in another year, is a strong factor in this merger movement. It is very difficult for the small corporation, suffering losses caused in many instances by its smallness alone, to resist the eager embrace of the profitable giant seeking a dowry of tax advantages to be derived from the prior losses of the unfortunate bride-to-be.

I do not have a solution to this problem. But until some solution is found, we must do whatever we can to strengthen small companies and thus make them less attractive to the rich suitor with a loss carryover gleam in his eye. My amendments will reduce the taxes on small companies, and the income retained thereby will contribute directly to this strength.

Mr. President, there are many others in this country who believe that the corporate tax structure favors the growth of large businesses as against small businesses. For instance, last December when testifying before the Subcommittee on Tax Policy of the Joint Committee on the Economic Report, Mr. Dexter M. Keezer, vice president and director of the Economics Department of the McGraw-Hill Publishing Co., made the following statement:

I think we have at the present time a high and satisfactory level of business investment. * * * But simply in terms of maintaining an adequate level of investment, I would not say that the present is an occasion to reduce the corporate tax rate. Except, may I give this qualification? Maintaining this rate means that you are going to have larger and larger corporate units at the expense of smaller units. This seems to be a matter of great social, political, and economic significance. Over a period with which we are concerned, the smaller corporations, as you well know, have not had the same rate of growth and capital acquisition.

Mr. President, that is exactly my position. Unless some action is taken to reverse the present trend, the growth of small businesses will continue to lag and their relative position in our economy will continue to worsen. And while on the general subject of "growth," we should expect that as population grows and as business activity expands, there should be an expansion of business opportunity and an increase in the number of business firms. But look at the record as shown on page 231 of the President's Economic Report. While there was an annual increase of almost

55,000 firms during the period between 1948 and 1952, the number of new operating firms increased by only 28,300 from June, 1954 to June, 1955. And this latter period has been characterized as a booming economy. If this is what happens in a boom, I submit that the small businesses of this country might be better off without it.

Now, Mr. President, I want to point out some specific and significant advantages which large corporations have under our present Federal tax laws. One example of existing big business bias in our corporate tax laws involves the accelerated depreciation of new machinery, while similar treatment is not available for used machinery. It is well known that small businesses are the principal purchasers of used machinery. Thus, the very significant benefit of the accelerated depreciation tax provisions are not available to many smaller corporations.

Now, some people advocate including secondhand machinery under the accelerated depreciation provisions, but I think that this action alone would merely accentuate the problem. For example, under present law a large corporation can, in a relatively short time, depreciate new machinery to a figure below its market value. The large corporation can then sell this machinery for more than its depreciated value and treat the income as a capital gain. If secondhand machinery had the benefit of accelerated depreciation, small businesses would be more eager to buy secondhand equipment. Then the giant corporations would realize even greater profits from the sales and greater capital gain windfalls.

The way to treat small businesses fairly would be to permit accelerated depreciation of both old and new machinery, and to tax income derived from the sale of depreciated machinery at the regular rates for corporate income. But until such changes are made, this is one more factor contributing to the financial dilemma of small businesses.

Another advantage for large corporations is their ability to attract and hold highly skilled management and technical personnel by deferred compensation plans. These plans reduce the impact of individual income-tax rates and give a higher real income to such employees. For instance, a special bonus is given large corporations by those provisions of the tax laws which deal with stock options. All salaried employees must pay taxes upon their incomes at the regular income-tax rates. The fortunate recipient of a stock option, however, pays no tax, in most instances, when he receives the option; pays no tax when he exercises the option; and pays only a capital gains tax upon any profit he makes when he sells the stock.

To qualify for this preferred treatment, the corporation must be able to value its stock by some acceptable reference to market value at the time the option is granted. The small corporation, which is closely held, has great difficulty in meeting this requirement. As a result, it is the large publicly held corporations which benefit. Almost half the corporations listed on the New York

Stock Exchange have such plans. The revenue loss to the Government cannot be estimated, but it is very substantial.

By this and similar devices, big business is able to attract and to hold the most able technical and executive talent. A small corporation must pay much higher salaries, if its employees who do not have stock options, are to be able to keep, after taxes, as much as the employees of the large corporation which does have a stock option plan in force. Naturally, in a competitive labor market, the most valuable employees will tend to enter the employ of the corporations paying them the highest net salaries, after taxes.

Even the owner of the small corporation may believe that he himself can find refuge against business risk, attain relative security, and provide a fund for his retirement by giving up his small business and going to work for a large corporation. The tax laws foster this trend by such provisions as restricted stock options.

Mr. President, I believe that the amendments I have offered will serve to relieve, to some extent, the constant drain of management personnel from small business. A growing, expanding enterprise presents a challenge to management, and good management will stay with the business so long as it can participate in its growth. If our tax policies militate against growth, there is little incentive to the personnel. In addition, higher retained earnings would enable the business to pay higher salaries, and this, too, would serve to keep good management from accepting positions with larger companies.

Still another advantage of the large corporations is their ability to adjust to tax rates with little effect upon their rates of earnings after taxes. This is possible because large corporations can, to a considerable extent, shift a large portion of their taxes to consumers in the form of higher prices. This is especially the case in industries which are dominated by one or a few corporate giants, and where competition does not operate to hold prices down.

Small corporations can rarely set prices to absorb taxes. There are too many of them, and generally no single one is in a position to exert substantial control over prices in its industry.

Actually, the small corporation gets hit from both sides under the present corporate tax structure. Its raw materials tend to be produced by giant concerns which can pass on a large share of their taxes to it. Thus, corporate taxes, for the small corporation, will generally result in higher costs. At the same time, it does not have the economic power to set prices to absorb its own taxes.

And finally, some very wise provisions in the tax law, designed to encourage research and experimental programs by industry, operate to the primary benefit of big business. These provisions offer favorable tax treatment of expenditures made for research. While these

provisions have considerable merit, I think we should frankly admit that the benefits inure almost exclusively to big businesses.

Furthermore, the defense needs of the Nation require direct Federal expenditures for research for weapons and other items of military necessity. The size of these Federal expenditures amounts to over a billion dollars every year, and the contracts go primarily to our huge industrial corporations. It would seem that the law has compounded the advantage of big business in the field of research—or, as I have heard it said more colloquially, "them as has, gets."

This is just one more set of circumstances illustrating an economic bias in favor of big business. Tax relief for small businesses is the best way to offset some of this bias, and I think that such relief must be granted.

And while on the subject of Federal expenditures for the output of industrial concerns, we should remember that a very substantial part of the total business in this country is associated with the national defense. Defense contracts awarded in 1955 totaled over \$15 billion. And in spite of congressional efforts to divert some of this spending to small firms, the major portion has gone to a few giant corporations.

The Senate Armed Services Committee recently reported that from June 1950, through June 1953, over 63 percent of the value of all defense contracts went to the 100 largest defense contractors. During the period of July 1953, through December 1954, this percentage rose to over 68 percent. It is no answer to pretend that such conditions are inevitable. The ability to accumulate capital and grow through more equitable corporate tax rates would be a very important factor in reversing this trend of defense buying from the largest corporations.

Mr. President, since the introduction of my bills, S. 3128 and S. 3129, I have been admonished that I should not forget those small businesses which are proprietorships or partnerships, and which do not choose to file a corporate tax return as permitted under the 1954 revenue act. I assure you, Mr. President, that I have not forgotten these businesses, and I urge the committees of Congress who study and draft our tax laws not to forget them. Some way should be found to relieve the tax burden of all those with low and middle incomes, whether their incomes are derived from wages, farms, professional services, proprietorships, or partnerships. However, it should be noted that any corporate income which is saved by my amendments, and which is not retained for corporate growth, will be taxed as individual income of the stockholders receiving it.

Although I could recommend other changes in the tax laws, including changes in the individual tax rates, I am forced to view the situation realistically and recognize that Rome was not built in a day. Frankly, here is the situation. The House of Representatives has passed a bill which will continue the corporate

tax rate and certain excise-tax rates at their present levels. While diverse amendments on diverse subjects could be offered on such a bill, the practical approach and courteous approach to the committees of Congress is to limit amendments to the subject matter treated in the bill.

Under the circumstances, the most I can hope to accomplish is to obtain amendment of the corporate tax structure in the Finance Committee or on the floor of the Senate. I think that any more ambitious plan would be fruitless. However, I respectfully urge the committees of Congress with jurisdiction in the field of taxation to give early and earnest consideration to a revision of the individual income-tax rates in the interest of all our low and middle-income taxpayers.

Mr. President, I have tried to show that small businesses are in a bad way in this country. This is shown by business failures, by business mergers, and by profit ratios and sales volume of different size classes of corporations. I believe that conditions exist in our general economy, as well as in the tax law itself, which contribute to and aggravate this situation. In considering a bill to extend the present corporate tax rates, we have an opportunity to offset in a real way some of the disadvantages faced by the small-business man.

The present rate structure seems to have contributed to the decline in the relative importance of small business in recent years. To the extent that our tax laws foster larger and larger business units, our political democracy is weakened. I am sure that we all recognize the relationship between the survival of many thriving business units and the survival of our political democracy.

These amendments will assist those companies in the formative or development stage to overcome initial capital difficulties, and will assure a continuing supply of capital when it is needed to maintain the competitive position of the small-business enterprise. I can think of no action more vital to the maintenance of our system of free enterprise than the encouragement and development of small businesses. They are the very foundation of our national economy.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two tables which were prepared in conjunction with the staff of the Joint Committee on Internal Revenue Taxation. These 2 tables illustrate the effect of the 2 amendments which I shall offer to the bill to extend for another year, rates of a corporate nature. I wish to emphasize the fact that exhibit 1 is the table which pertains to the amendment which I shall press for in the committee on the legislation.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Is there objection to the unanimous consent request?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

EXHIBIT 1.—Effect of a normal tax rate of 22 percent and a surtax rate of 31 percent (proposal in S. 3129)

Income subject to normal tax and surtax	Present tax liability (normal rate 30 percent, surtax rate 22 percent)	Proposed tax liability (normal rate 22 percent, surtax rate 31 percent)	Change	
			Amount	Per cent
\$5,000.....	\$1,500	\$1,100	—\$400	—26.7
\$10,000.....	3,000	2,200	—800	—26.7
\$15,000.....	4,500	3,300	—1,200	—26.7
\$20,000.....	6,000	4,400	—1,600	—26.7
\$25,000.....	7,500	5,500	—2,000	—26.7
\$50,000.....	20,500	18,750	—1,750	—8.5
\$100,000.....	46,500	45,250	—1,250	—2.7
\$225,000.....	111,500	111,500	(1)	(1)
\$500,000.....	254,500	257,250	+2,750	+1.1
\$1,000,000.....	514,500	522,250	+7,750	+1.5
\$10,000,000.....	5,194,500	5,292,250	+97,750	+1.9
\$100,000,000.....	51,994,500	52,992,250	+997,750	+1.9

¹ No change.

EXHIBIT 2.—Effect of a normal tax rate of 22 percent and a surtax rate of 30 percent (proposal in S. 3128)

Income subject to normal tax and surtax	Present tax liability (normal rate 30 percent, surtax rate 22 percent)	Proposed tax liability (normal rate 22 percent, surtax rate 30 percent)	Change	
			Amount	Per cent
\$5,000.....	\$1,500	\$1,100	—\$400	—26.7
\$10,000.....	3,000	2,200	—800	—26.7
\$15,000.....	4,500	3,300	—1,200	—26.7
\$20,000.....	6,000	4,400	—1,600	—26.7
\$25,000.....	7,500	5,500	—2,000	—26.7
\$50,000.....	20,500	18,500	—2,000	—9.8
\$100,000.....	46,500	44,500	—2,000	—4.3
\$225,000.....	111,500	109,500	—2,000	—1.8
\$500,000.....	254,500	252,500	—2,000	—0.8
\$1,000,000.....	514,500	512,500	—2,000	—0.4
\$10,000,000.....	5,194,500	5,192,500	—2,000	—0.04
\$100,000,000.....	51,994,500	51,992,500	—2,000	—0.004

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

The PRESIDING OFFICER. All time has been yielded back.

Mr. O'MAHONEY. Mr. President, it is my understanding that all time has not been yielded back.

The PRESIDING OFFICER. The Chair will state that, as a matter of fact, the Senator from South Carolina did not have control of the time. Under the unanimous consent agreement, where the chairman of the committee is in favor of an amendment, the time in opposition is controlled by the minority leader. I am advised that there is no objection to the control of the time by the Senator from South Carolina.

Mr. O'MAHONEY. Mr. President, I desire to make some comments on the amendment.

Mr. CURTIS. I have no objection to the majority's using its time.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senator from Wyoming be allowed to speak for 10 minutes. I understand we have 15 minutes left.

The PRESIDING OFFICER. Without objection, the Senator from Wyoming may proceed.

SHALL CONGRESS CONTINUE TO DELEGATE ITS POWERS?

Mr. O'MAHONEY. Mr. President, I confess that I did not have the opportunity to listen to the speech made by the Senator from Nebraska about this matter earlier in the week. There were other legislative duties which took my time, among them the preparation of an amendment of my own to the bill, which was adopted, and sitting in the conference on the Colorado River bill, which has passed both Houses, and which came to an agreement only this afternoon.

After having attended to some other transactions today, just a few moments ago I came on the floor and for the first time read the amendment. It strikes me that the amendment provides for a delegation to the appointees of the President of the legislative power of the Congress of the United States. I do not think there is anything more valuable, Mr. President, if we hope to preserve free, popular government, than to preserve the constitutional provisions set forth in article I of the Constitution, that all legislative power is vested in the Congress of the United States.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes, indeed; I yield.

Mr. CURTIS. I am sure the Senator is aware that the amendment does not delegate any legislative power. No program, no law, can become effective; no one can legislate but the Congress—

Mr. O'MAHONEY. Mr. President, if the Senator will pardon me, let me state my views before he begins to try to tear them to pieces, because unless I am able to state my views, he will be talking against not what I say, but what he imagines I am going to say. So please let me make my statement first, for about 5 minutes.

I want to read the amendment. Mr. President, there is no better way to understand what legislation means than to read it. There used to be a time when it was the absolute rule of parliamentary bodies that proposed legislation should be read from the rostrum by the clerk, so that members would be apprised of the nature of the bills they were asked to pass. We now act so quickly that we have abandoned that very salutary traditional method of procedure. Now we are so busy asking somebody else to do the work of Congress, so busy to turn the power of Congress over to the executive departments, so involved in handling the special requests that come to us as Senators, day by day, to get favors done by the executive departments, that we do not take the time to study proposed legislation. Let me read section 310 (a) (1):

NOW A COMMISSION TO DRAFT BILLS

There is hereby established a Commission on Increased Industrial Use of Agricultural Products.

I do not suppose that there is an editor of a daily newspaper or a weekly newspaper or a magazine in the United States who has not at some time denounced the multiplicity of commissions which are established by government.

I remember very well when a former Solicitor General of the United States, Mr. Beck, wrote a book—which obtained very wide circulation—under the title "Our Wonderland of Bureaucracy." It was 25 years ago that Mr. Beck, a very able lawyer, wrote that book; but the wonderland of bureaucracy continues to grow. In every administration we find opponents of the administration in power denouncing the administration as a bureaucracy. Yet, when the power is changed, and a new President comes into office, Congress proceeds solemnly to delegate away more of its power and to create new boards and commissions.

So it is proposed that the Congress establish a new commission, to be called a Commission To Prepare Legislation Providing for Increased Industrial Use of Agricultural Products.

And the amendment of the Senator from Nebraska provides, beginning in line 4 on page 1:

SEC. 310. (a) (1) There is hereby established a Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of five members to be appointed by the President. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

WHY BURDEN THE PRESIDENT?

Mr. President, does anyone imagine that if the amendment were adopted and became law, the President would select the commissioners? There is not a chance in the world that that would be done. The present President of the United States only recently announced, on the television, to all the people of the United States that it was going to be his purpose to pass on to his associates some of the responsibilities of the Presidency. Yet in the amendment it is proposed that we give the President additional responsibility to do work that the Congress itself can do.

Why should Congress set up such a commission? If the commission is to have the power and authority to take some action, and if it is to be a commission to represent the people of the United States—the farmers of the United States, the agriculturists of Nebraska, of Wyoming, of Wisconsin, of Kansas, of Idaho, of Arizona, of South Carolina, of North Carolina, or of Florida—the members of the commission should be confirmed by the Senate, so we can be sure that the commissioners will actually represent farmers.

Who knows, Mr. President? Who in this Chamber at this moment can say who are the experts who make the reciprocal-trade agreements? The power to make those agreements is a power which the Congress has, under its power to fix duties and imposts. Yet Congress has delegated that power to the President; Congress did that long ago, in a Democratic administration. I said then the same thing I say now; namely, that the work would not be done by the President, but would be done by unknown, anonymous subordinates, experts selected the Lord knows how, to do some of

the most important work that affects the economy of the Nation.

But now it is proposed that there be established a new commission, with members who necessarily would have to be selected by someone who would advise the President. That person would be in the Department of Agriculture, no doubt. If we want such work to be done, why do we not give such new responsibilities to the Department of Agriculture?

But, no, Mr. President; it is proposed that the work be done by a new commission, to be independent of the Department of Agriculture; and the proposed commissioners would come into office as a result of selection made by advisers to the President of the United States.

Now I read paragraph (2) of section 310 (a), of the amendment:

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

Mr. President, where are we going to obtain, for \$50 a day, capable and experienced men who will devote their time and their experience to this very, very important task of finding industrial uses for agricultural products? The proposed commissioners would be part-time commissioners. That is why the amendment does not contain a provision for paying them a salary, and that is why the amendment does not contain a provision for confirmation of the commissioners by the Senate.

Then we come to paragraph (3)—and listen to this, Mr. President:

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws—

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The time of the Senator from Wyoming has expired.

Mr. O'MAHONEY. Mr. President, I move that the bill be recommitted to the Committee on Agriculture and Forestry; and I shall take some time on that motion.

The PRESIDING OFFICER. The Senator from Wyoming cannot make that motion until all time on the bill has been consumed.

Mr. O'MAHONEY. Then, Mr. President, I request a little additional time from the acting majority leader.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senator from Wyoming be given an additional 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? Without objection, it is so ordered.

Mr. O'MAHONEY. I thank the Senator from South Carolina.

Mr. President, I read now from paragraph (3) of section 310 of the amendment of the Senator from Nebraska:

SALARY LAW IS SUSPENDED

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers,

agriculturists, attorneys, legislative draftsmen—

Why legislative draftsmen, Mr. President? Legislative draftsmen have the duty and the responsibility of drawing up bills. Why should we delegate that power to five persons to be chosen by some subordinates in the executive branch of the Government, persons whose identity will not be known at all by the Senate? I read further from this paragraph of the amendment—

and other assistants as it may deem necessary.

Mr. President, here is the vice of bureaucracy. We set up a commission; and we give it authority to appoint its staff, without regard to the civil-service laws which Congress has passed, and without regard to the Classification Act which fixes their salaries. We would give the commission power to do everything which the Congress itself has authority and responsibility to do. Mr. President I think it is simply beyond imagination that such a suggestion should be made to us.

Now we come to the second sentence of paragraph (3):

The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

Will that be 2 people, 3 people, 4 people, or 10 people? How many experts will be assigned? No limitation at all is made by the amendment in regard to the number. The amendment merely states that—

The Secretary of Agriculture is authorized to provide the Commission with necessary office space—

And Congress appropriates for the office space—

and may detail, on a reimbursable basis—

That is, to be paid out of the appropriations for the new Commission—

any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

The amendment says "any personnel"; there is no limitation. This amendment does not say 50 personnel; it does not say 100 personnel, it does not say 1,000 personnel. In the present budget, the Department of Agriculture is requesting an appropriation of over \$7 billion. What is meant by all the talk on the political stump about balancing the budget, when it is proposed that there be created new commissions with so broad a grant of power to employ an indefinite number of assistants? An appropriation for \$150,000 is authorized for the Commission, but that will be only the beginning.

I read from paragraph (4):

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes.

I skip a few lines:

There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as

may be necessary to enable the Commission to carry out its functions.

With \$150,000, if it is not going to be able to do the work planned for it, it will be back with a request for a larger appropriation, and for larger salaries.

Mr. President, I have no doubt that the time which was allotted to me has expired. I realize that most Senators are having a little late supper in preparation for a long night session, so that the details of this proposal have not been discussed.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. CURTIS. Mr. President, I ask for a vote.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair understood that the remaining time on both sides was to be yielded back.

Mr. ELLENDER. Mr. President, how much time have I?

The PRESIDING OFFICER. The Senator for Louisiana has 7 minutes. The Senator from Nebraska [Mr. CURTIS] has 13 minutes.

Mr. CURTIS. Mr. President, I wonder if that is a correct account of the time. The Senator from Arkansas used 15 minutes, and the Senator from Wyoming used 15 minutes.

The PRESIDING OFFICER. He was speaking under a unanimous consent agreement.

Mr. CURTIS. My understanding of the unanimous consent agreement is this: The point was raised that there was no one on this side with authority to allot the time, and unanimous consent was granted that the Senator from South Carolina might have the usual time.

The PRESIDING OFFICER. The Chair understood that that was to be taken out of the time of the opposition to the amendment.

Mr. CURTIS. The opposition has used 30 minutes.

The PRESIDING OFFICER. That is correct. The Senator from Arkansas has had 15 minutes, and the Senator from Wyoming has had 15 minutes. The Senator from Nebraska still has 13 minutes left.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Am I correct in the understanding that when all time is surrendered back or exhausted, it will then be in order for me to make a motion to refer this amendment to the Committee on Agriculture and Forestry?

The PRESIDING OFFICER. The Chair thinks so.

Mr. O'MAHONEY. I shall make such a motion when the time expires.

Mr. CURTIS. Mr. President, I yield back the remainder of my time and ask for a vote.

Mr. O'MAHONEY. Mr. President, I desire to have more Senators present if there is to be a vote.

Mr. CURTIS. I ask for the regular order.

The PRESIDING OFFICER. The Senator from Nebraska has 13 minutes if he wishes to use it.

Mr. CURTIS. I yield back the remainder of my time, and ask for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. CURTIS].

Mr. O'MAHONEY. Mr. President—

Mr. ELLENDER. Mr. President, I yield myself 3 minutes on the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. ELLENDER. Mr. President, the Senate well knows my position with respect to the organization of these special commissions and special committees of the Senate. I have consistently opposed the wasting of the taxpayers' money on useless investigations. In recent years we have spent substantial sums in that direction, and we have had very little to show for it. The record will show that the present administration has spent many millions of dollars in special studies and investigations; it seems that every time a problem arises, a commission is set up to investigate or study it, but up to the present time very little has come of these special studies.

I point out to the Senate that the Committee on Agriculture and Forestry has had before it many requests for studies of various kinds.

It will be recalled that one result of searches for new uses for agricultural products was the enactment by the Congress about 10 years ago of legislation establishing 4 regional research stations—1 in Peoria, 1 in New Orleans, 1 in New York, and 1 in the West.

What good will result from further studies by a special Commission? We have already provided ways and means by which scientific research into new uses for agricultural products in surplus can be carried on in the regional research laboratories. As my good friend from Wyoming has just stated, the \$150,000 provided in the pending amendment is only a start. Experience has taught us that once these special commissions and special committees are established, there is no end to them. I believe that the best way to find additional uses for agricultural products that are in surplus is to let our four laboratories, which have been established and which each year are now spending millions of dollars for scientific research, continue that work. That is the most sound, constructive way to do it. A special commission appointed by the President to further study the problem would, in my opinion, result only in a waste of money. I am opposed to this proposal. I hope the Senate will vote it down, and save the \$150,000 involved for something of more tangible benefit to American agriculture.

Mr. CURTIS. Mr. President, I ask for a vote.

The PRESIDING OFFICER. Did the Senator from Nebraska yield back his remaining time?

Mr. CURTIS. I did.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment offered by the Senator from Nebraska.

Mr. O'MAHONEY. Mr. President, I desire to offer an amendment to the amendment of the Senator from Nebraska.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 1, line 8 of the Curtis amendment, after the word "President" and before the period, it is proposed to insert the words "by and with the advice and consent of the Senate."

Mr. O'MAHONEY. Mr. President, I think it is important enough for Members of the Senate to hear the few words I wish to say on the subject to suggest the absence of a quorum.

The PRESIDING OFFICER. Will the time be taken out of the time of the Senator from Wyoming?

Mr. O'MAHONEY. I will take it out of my time. I do not wish to speak at great length.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The Chief Clerk continued the call of the roll.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. A quorum call is now going on.

Mr. O'MAHONEY. Mr. President, may I ask how many Senators have answered to their names?

The PRESIDING OFFICER. A quorum call should not be interrupted.

Mr. O'MAHONEY. How much time is left?

The PRESIDING OFFICER. There is no procedure that is in order while a quorum is being called. The Chair will not answer such questions.

Mr. O'MAHONEY. Mr. President, in view of the fact that all the time which is being consumed in assembling a quorum is being taken out of my time, by my consent, I think I am entitled to know how much time is left.

The PRESIDING OFFICER. The Chair cannot state until the quorum call is concluded.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. That cannot be done.

The Chief Clerk resumed and concluded the quorum call, and the following Senators answered to their names:

Aiken	Case, N. J.	Fulbright
Allott	Case, S. Dak.	George
Anderson	Chavez	Goldwater
Barkley	Clements	Gore
Barrett	Cotton	Green
Beall	Curtis	Hayden
Bender	Daniel	Hennings
Bennett	Dirksen	Hickenlooper
Bible	Douglas	Hill
Bricker	Duff	Holland
Bridges	Dworshak	Hruska
Bush	Eastland	Humphrey
Butler	Ellender	Ives
Eyrd	Ervin	Jackson
Capehart	Flanders	Jenner
Carlson	Frear	Johnson, Tex.

Johnston, S. C.	Millikin	Scott
Kennedy	Monroney	Smathers
Kerr	Morse	Smith, Maine
Knowland	Mundt	Smith, N. J.
Kuchel	Murray	Sparkman
Laird	Neely	Stennis
Langer	Neuberger	Symington
Lehman	O'Mahoney	Thurmond
Magnuson	Pastore	Thye
Malone	Payne	Watkins
Mansfield	Potter	Welker
Martin, Iowa	Purtell	Wiley
Martin, Pa.	Robertson	Williams
McCarthy	Russell	Young
McClellan	Saltonstall	
McNamara	Schoeppel	

The PRESIDING OFFICER. A quorum is present.

Mr. O'MAHONEY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. O'MAHONEY. I thank the Presiding Officer; and may I compliment the Presiding Officer on the very excellent order that is being preserved by the Chair and on the dignity and ability with which he presides.

The PRESIDING OFFICER. The Chair thanks the Senator from Wyoming.

DOES THE COUNTRY NEED A NEW COMMISSION?

Mr. O'MAHONEY. Mr. President, I suggested the absence of a quorum because I desired to bring to the attention of as many Senators as might be possible what seems to me to be a wholly unnecessary procedure which the amendment of the Senator from Nebraska would establish. It is an amendment to create a new commission which is to be entitled "Commission to Prepare Legislation Providing for Increased Industrial Use of Agricultural Products."

We have had all sorts of boards and commissions in the past, but this is the first commission, to my knowledge, attempted to be established for the express purpose of doing the work of Congress, namely, to prepare legislation.

The Constitution of the United States created Congress to legislate for the people and delegated to and vested in the Congress all the legislative powers granted under the Constitution. Note the word "all," not some but all legislative power belongs to Congress.

While the quorum was being called I had an examination made of the Congressional Directory. Each Senator has a copy of the Congressional Directory in his desk. There are 50 pages in this tightly bound and closely printed directory, given up to a listing of the independent offices, bureaus, and agencies of the Government. There are 71 such independent offices, agencies, and establishments. It is because we have these 71 agencies that we are accused of having established the most gigantic bureaucracy ever created outside of Soviet Russia or Hitler's Germany.

Experts on law, experts on government, those who desire to reduce the expenses of government, have written philippics against the Congress for creating so many boards and commissions, with expenditures to be made by them.

There are 10 pages in the Congressional Directory listing the congressional joint committees, commissions, and boards.

Now the Senator from Nebraska asks us to add as an amendment to the bill section 310 (a), which provides as follows:

SEC. 310. (a) (1) There is hereby established a Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as the Commission). The Commission shall be composed of five members to be appointed by the President. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

So, Mr. President, here we have a purely executive commission appointed by the President, without reference to the Congress, without reference to the areas of the country, without reference to the Senate, and there is delegated to the President the power to name the chairman, so that the Executive office can run the Commission.

Mr. President, in order to modify this, after the time on the amendment has expired I shall offer an amendment to insert on-line 8 of page 1, after the word "President" and before the period, the words "by and with the advice and consent of the Senate." So if by any chance the amendment should become law, the Members of the Senate of the United States, and through them and the publicity which will be given to our proceedings, the farmers of the Nation may know who is being selected to work in their interest. I have known the farmers of the country to have men nominally working in their interest, who had no interest whatever in benefiting the farmers.

It is provided in the amendment of the Senator from Nebraska, on page 2, line 8:

The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturalists, attorneys, legislative draftsmen, and other assistants as it may deem necessary.

Mr. President, who is to fix their salaries? The amendment does not say. What salary will the Executive Director receive? The bill does not say. In fact, the civil-service laws and the Classification Act of 1949 are thrown into the wastebasket. Will Congress have anything to say about it? No. Will the Appropriations Committee have an opportunity to review the appointments? No.

The Commission is authorized to appoint and fix the compensation * * * of an executive director and such chemists, engineers, agriculturalists, attorneys, legislative draftsmen, and other assistants as it may deem necessary.

Does not Congress have enough legislative draftsmen? The Senate has a body of legislative draftsmen; the House has a body of legislative draftsmen. I have known Senators and Representatives who themselves are capable of preparing a bill upon occasion. There are legislative draftsmen right here in the Chamber who can do the work.

I continue to read from paragraph (3):

The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

Talk about blank checks: Here is a very blank check to the Secretary of Agriculture to provide the Commission with personnel in addition to the personnel which the Commission itself may appoint. Yet the fact is that the Department of Agriculture has pending before Congress now a budget request for more than \$7 billion from which to pay the personnel of the Department.

DEPARTMENT OF AGRICULTURE HAS FOUR LABORATORIES

The chairman of the Senate Committee on Agriculture and Forestry has just announced that to his knowledge there are four laboratories within the Department of Agriculture, all of them created by law, which are working on this very problem.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CASE of North Dakota. Does not the Senator from Wyoming feel that the reimbursability to the Secretary of Agriculture for any personnel he might assign would be payable out of the limited \$150,000 authorized to be appropriated?

Mr. O'MAHONEY. Oh, yes, I think it would. But I may point out that the \$150,000 ceiling will not enable 5 commissioners, including a chairman, who will receive \$50 a day, to employ the type of expert assistants which are need to do the job. The structure of this commission as provided in the amendment makes it inadequate to do the job given to it.

I think free enterprise has been doing a lot of work in developing the use of various commodities. I myself, when I was on a brief leave of absence from the Senate, represented as an attorney an inventor in Washington, Mr. Stanley Read, who has invented and is making, out of wheat, a substitute for the type of board that is used in the building of houses, at what seemed to me to be an economical cost.

CONFIRMATION ESSENTIAL

Why should we continue to delegate away our powers? I have made clear, it seems to me, the meat of the amendment. I do not wish to burden the Senate with a repetition of what I have already said; but certainly I believe that the amendment of the Senator from Nebraska should not be agreed to; but if it shall be adopted, the amendment which I have offered to the amendment of the Senator from Nebraska should first be written into his amendment, so that the Senate may know on what basis the appointments will be made.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. CURTIS. Mr. President, as the one who offered the original amendment, do I have time remaining?

The PRESIDING OFFICER. The Senator from Nebraska yielded back the

time on his amendment. The question now is on agreeing to the amendment offered by the Senator from Wyoming to the amendment of the Senator from Nebraska.

If the Senator from California, the minority leader, wishes to use time or yield time, he may do so.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, let me say to my distinguished friend from Wyoming that while I share his apprehension about the mechanical setup of the amendment, yet the idea and the principle behind the amendment are perfectly sound. The amendment of the Senator from Nebraska meets a shortcoming that I detected a long time ago in government. I have in mind, particularly, the processing of surplus farm products into anhydrous, water-free alcohol for admixture with gasoline, to make low-grade alcohols into premium fuel.

This matter is not new. I went down on the Memorial Highway in 1933, when Henry Wallace was the Secretary of Agriculture. We had demonstrations there. We had demonstrations in the Bureau of Standards. I discovered that the various agencies in the Department could go up to a point, but no further; they were circumscribed, so far as their appropriations were concerned. Mainly, their researches are conducted on a pilot-plant basis; they never could be articulated in the form of an overall practical test which could be carried to a definite conclusion. It became necessary, then to enlist a lot of private interest.

Finally, a distillery was erected in Muscatine, Iowa. There, alcohol was developed for admixture with gasoline. That process continued for quite a while. Actually, some 1,800 service stations were supplied; but the project needed some impetus to push it beyond that point. I think the real interest lay in the fact that there was a possibility, by means of admixing with motor fuels, to burn up surplus farm products, and to do it effectively, in farm tractors, in automobiles, and in other operations. The experiment went so far that the Department of Agriculture scientists had developed a special carburetor for this purpose.

I think there is great merit in the proposal, but I would be less than candid if I did not say the difficulty arose from the fact that in proportion as the cost of corn and wheat went up, the competitive cost factor came into play.

Notwithstanding all that, I think in this field we could well employ a little money, because something has been left undisclosed, and a great outlet might be developed for the processing of surplus commodities into moistureproof or moisture-free alcohol admixed with gasoline.

If that obstacle could be overcome, it would be one of the most practical solutions that could be found. Certainly I am the last person in the world who could go into a discussion of all academic and scientific curiosities that may come out of the test tube.

The distinguished Senator from Wyoming mentioned four research laboratories. I was one who fathered the bill which provided for those laboratories. I followed their progress carefully. One of the laboratories is located at Peoria, Ill. But the experiments can be taken only up to the pilot plant stage, where it can be demonstrated, on paper, at least, that the pilot operation is effective. It is necessary to move beyond that point in order to complete the research.

It seems to me, because of limitations on the time and money of the research agencies in the Department of Agriculture, that an agency over and above the Department, fortified with a little money, could do a very useful job in the field. If it failed, after a thoroughgoing effort, I would be ready to call it quits. I doubt, however, that we have gone far enough into the field; and because of its rich potentialities, I would support the amendment. If the amendment requires any additional language in order to provide for Senate confirmation of the nominations to be made by the President; if the amendment requires the inclusion of the nominees in the classification civil-service list, I would have no objection.

But with respect to the technical personnel, I would rather leave the matter in the hands of the Commission, because they would have to find the personnel especially suited for the job. I am not at certain, under the limitations of the civil-service act, that they will be found. But the possibilities encompassed within the amendment are good. I say very frankly to my friend from Nebraska that I intend to give him a vote, because I am very much interested in it.

Mr. AIKEN and Mr. CURTIS addressed the Chair.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Vermont. Then I shall yield to the Senator from Nebraska.

BRUCELLOSIS AND SCHOOL-LUNCH PROGRAM

Mr. AIKEN. Mr. President, although our friends across the aisle were successful in defeating our effort to extend the brucellosis and school-lunch program for 2 years, I want to say to the public we have not given up the fight for a long-time extension of the two programs. The matter will now rest with the House which will consider the conference report next week. If there is a party line division there as there was here, we shall lose, but we on the Republican side of the aisle want to serve notice that we do intend to continue the fight to extend the school milk and brucellosis program for 2 full years or more, and hope it will not be long before our Democratic brethren will see the light and join us in trying to get the programs enacted into law. They may say they have incorporated the programs in what we still call the farm bill. Incorporating these provisions in the emasculated farm bill at this stage of the game is nothing but a joke on the schoolpeople and the farmers who hope to rid their herds of the dread disease of brucellosis. We are going to continue the fight, and we shall probably force a vote one way or another. I hope next time we vote on it, our friends across the

aisle will not be so shortsighted as they were today.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Nebraska.

Mr. CURTIS. Mr. President, returning to a discussion of my amendment, I appreciated the words of the Senator from Illinois. He had a great part in having the laboratories set up. What is proposed in the amendment is not a duplication of that work, but a means for taking advantage of and using the fine research which has already taken place.

Mr. President, I hold in my hand a preliminary report dated June 19, 1954, at Peoria, Ill., of the United States Department of Agriculture Agricultural Research Service, Northern Utilization Research Branch. Speaking of alcohol blends of motor fuels, this is what the report says in part:

Because of extensive practical experience in the use of alcohol-gasoline blends in foreign countries and laboratory and road studies made in this country, it is evident that the use of alcohol as a fuel for internal combustion engines is practical from the technological standpoint.

A 5-percent blend of alcohol in gasoline used in this country would, in 1 year, cause the consumption of 1 billion bushels of grain. But there is a differential involved. It has to be adjusted to tariffs, taxes, and other matters. Unless we provide someone with the responsibility to utilize the research which has already been done, it will be a waste of time and the results of the research will never be used. I propose that we provide that the Commission should say how the research can be used, have it submit a plan to Congress, and have Congress vote on it. It is that simple.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. O'MAHONEY. Is it not a fact that the third section of the Senator's amendment makes it the duty of the Commission to draft legislation, and is the Senator not thereafter authorizing an appropriation of \$150,000 to do work which can be done by the Legislative Drafting Service of Congress?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I say to the Senator from Wyoming the amendment does call for an expenditure of \$150,000—which cost is the equivalent of the cost of 3 hours' storage of grain in this country—to have a group which would bring in a plan to provide industrial use for that grain. The amendment does call for a commission to draft the legislation, but that legislation does not become effective unless it is introduced, committee hearings are held, and laws are enacted in the usual way. The amendment does not delegate legislative powers.

So far as the confirmation of members of the Commission is concerned, I have no objection to the suggestion. It is agreeable to me, if the amendment is agreed to. I think such a provision would be useless. I do not think it is

necessary to consume the time of the Senate and other persons to confirm members of the Commission. The job of each Commissioner would be somewhat technical and would involve economic questions. The job has to be done by someone. But if the Senator from Wyoming will accept the amendment of the Senator from Nebraska, I shall accept his amendment to my amendment.

Mr. O'MAHONEY. I shall be very glad to have the Senator from Nebraska accept my amendment. As I told him in the beginning, before there was a quorum call, my whole purpose in the matter was to point out that I feel very, very deeply that the character of the proposal which is being made is another instance of the continual surrender of legislative power by Congress. I think, in the turbulent world in which we live, with executive governments growing on both continents, the time has come for this Government to maintain its legislative power.

Mr. CURTIS. In that regard, I wish to say there is no one who is more jealous of the power of Congress than I am.

Mr. O'MAHONEY. I believe that to be the truth.

Mr. CURTIS. My amendment does not grant any power to make regulations, to impose taxes, or to enact laws. That question is not in issue.

Mr. KNOWLAND. Mr. President, will the Senator from Nebraska yield at that point?

Mr. CURTIS. I yield.

Mr. KNOWLAND. I have just been discussing the matter with the Senator from Illinois. We wondered if it would be agreeable to the distinguished Senator from Nebraska if, following first the recommendation of the Senator from Wyoming, in line 8, page 1, after the words "by the President" there could be added the words "and confirmed by the Senate."

Mr. CURTIS. The Senator from Nebraska has no objection to that suggestion. I think we might want to move up a little the date by which a report would be made, if such language is to be added.

Mr. KNOWLAND. Secondly, I must say that I was somewhat impressed—considerably impressed, for that matter—by the argument made by the Senator from Wyoming relative to the language which appears on page 3, line 10. I think previously, in a private conversation with the Senator from Nebraska, I had raised some question with him with regard to whether or not his purposes would not be served if he would strike out the words "draft, or drafts, of legislation," and would insert in lieu thereof the word "recommendations."

The same change would be made in line 19, on page 3, where the words "draft or drafts referred to" appear, so the language would read: "Upon submission of the recommendations referred to."

Mr. CURTIS. Would the Senator have that read "recommendations for legislation"?

Mr. KNOWLAND. Well, I think "recommendations for legislation" would be included in the legislative history, but

the commission might make other recommendations as well.

Perhaps we are leaning over a little backwards, but I do not want to have established a precedent whereby we would invite that a part of the legislative process be passed to the executive branch of the Government. I think, from the point of view of precedent, I would be personally much happier to have that power left with what I have always considered a coordinate and co-equal arm, and not a subordinate arm, of the Government. If we left the word "recommendations" in the amendment and left out the words "draft or drafts of legislation," I think the commission could include that, if it wanted to. The commission might have other recommendations which the Congress, through its proper committees, would finally put into draft form.

Mr. CURTIS. Mr. President, I accept the amendment.

The PRESIDING OFFICER. The Senator from Nebraska modifies his amendment in accordance with the suggestion of the Senator from Wyoming, on page 1, line 8; and the Senator modifies his amendment on page 3 in accordance with the suggestion of the Senator from California.

Mr. KNOWLAND. Mr. President, the only other modification to be made would be on page 2, in line 12, merely to strike out the words "legislative draftsmen." Then the amendment at that point will provide for "attorneys and other assistants as it may deem necessary."

The PRESIDING OFFICER. The Chair understands that the Senator from Nebraska modifies his amendment accordingly.

Mr. KNOWLAND. Mr. President, an additional modification will be required on page 3, in line 21, namely, at the end of the line to strike out the words "a draft or drafts of proposed legislation." As thus modified, that part of the amendment would provide that "any bill or joint resolution embodying the recommendations presented to the Congress" would be referred to the committee, and so forth.

The PRESIDING OFFICER. Does the Senator from Nebraska modify his amendment accordingly?

Mr. CURTIS. I do.

Mr. President, I also ask unanimous consent that the amendment be modified on page 3, in line 9, where the date "April 15" appears—

The PRESIDING OFFICER. The Senator from Nebraska may modify his amendment without obtaining unanimous consent for that purpose.

Mr. CURTIS. Very well, Mr. President; then I modify my amendment on page 3, in line 9, by striking out the word "April" and inserting the word "June."

The PRESIDING OFFICER. The amendment will be modified accordingly.

Mr. LANGER. Mr. President, will either one side or the other yield 2 or 3 minutes to me?

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 3 minutes.

Mr. LANGER. I thank the Senator from California.

Mr. President, it is passing strange to have before us a proposal for the appointment of a new commission, inasmuch as when we read the Democratic Party's platform and the Republican Party's platform in 1932, we find that they called for abolishing boards, bureaus, and commissions.

Furthermore, the other evening I read the Democratic Party's platform and the Republican Party's platform in 1936; and they contained the same language about abolishing bureaus, boards, and commissions.

In addition, we find the same language in the 1940 platforms of both parties; and we find the same language in the 1944 platforms of both parties; and we find the same language in the 1948 platforms of both parties; and we find the same language in the 1952 platforms of both parties.

Furthermore, Mr. President, I have not the slightest doubt that when the Republican National Convention and the Democratic National Convention are held this year, again the platforms of the two parties will assure the American people that both parties are in favor of consolidating and eliminating many of the bureaus, boards, and commissions.

I remember that the distinguished senior Senator from Virginia [Mr. BYRD] stated only a short time ago that 82 agencies were making loans to farmers; and he said a great many of them should be abolished.

We have a Department of Agriculture. There is no reason why Mr. Benson, or whoever may succeed him—if someone does—cannot appoint a person who is in his Department. As a matter of fact, that has already been done; I understand that an extensive investigation has been made in regard to the possibility of using in industry some of these agricultural crops.

I remember that we created a board to deal with synthetic alcohol; and after the Government had made a profit of \$6 billion in the production of synthetic alcohol, believe it or not, Mr. President, most of that development was turned over to private industry. Similarly, the Government spent \$2 billion investigating the possibilities in the case of atomic energy; and when that work was completed, General Motors Corp., General Dynamics Corp., and other corporations got the benefit of that \$2 billion expenditure.

So I call attention to the campaign promises. Both political parties have said there would be no additional bureaus, boards, or commissions; but, by golly, now we have a proposal to create another commission, one to be composed of lawyers, assistants, and all the rest—almost as many as anyone might wish to have appointed. In my opinion, it would make very little difference whether the appointments had to be confirmed by the Senate, in view of the short time the Senate usually takes in confirming the nominations upon which it has to act.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment, as modified, of the Senator from Nebraska. [Putting the question.]

The amendment, as modified, was agreed to, as follows:

On page 30, between lines 17 and 18, insert the following:

"COMMISSION TO PREPARE LEGISLATION PROVIDING FOR INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

"SEC. 310. (a) (1) There is hereby established a Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as 'the Commission'). The Commission shall be composed of five members to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

"(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

"(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

"(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

"(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

"(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

"(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

"(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

"(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as

expeditiously as possible to consider such bill or joint resolution.

"(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House."

Mr. CURTIS. I thank the Senator from California.

Mr. SMITH of New Jersey. Mr. President, I call up my amendment identified as "3-13-56-C." I submit the amendment on behalf of myself, my colleague from New Jersey [Mr. CASE], and the Senator from Ohio [Mr. BENDER].

The PRESIDING OFFICER. The amendment submitted by the Senator from New Jersey, on behalf of himself and other Senators, will be stated.

The LEGISLATIVE CLERK. On page 31, it is proposed to strike out lines 1 through 10 and insert in lieu thereof the following:

SEC. 402. That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1956 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm;

"(2) That such entire crop of wheat is used for food or seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner or operator of the farm;

"(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

"(4) That such producers shall agree not to request price support on any feed grain produced on such farms in a crop year for which an exemption from wheat quotas is requested under the authority of this subsection.

"Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void, the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm."

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 30 minutes, or so much thereof as he may wish to have.

Mr. SMITH of New Jersey. Mr. President, as a starter, I yield myself 10 minutes. Later, I may request additional time.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 10 minutes.

Mr. SMITH of New Jersey. Mr. President, I have taken care to take up the amendment with the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER]; with the ranking Republican member of the committee, the Senator from Vermont [Mr. AIKEN]; with the Senator from New Mexico [Mr. ANDERSON]; and with the Senator from North Dakota [Mr. YOUNG]; and I have also checked the amendment with the Department of Agriculture.

I am prepared merely to submit a statement in support of the amendment, if the chairman of the committee is willing to accept the amendment and take it to conference, to the end that the amendment can be considered there.

Mr. ELLENDER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am very glad to yield to the distinguished chairman of the committee.

Mr. ELLENDER. The Senator from New Jersey will recall that there was some question about paragraph (4), of subsection (f), of section 402. That paragraph appears on page 2 of the amendment. I suggested to the distinguished Senator from New Jersey that the language concerned be submitted to our counsel, as well as to counsel for the Department of Agriculture. There seems to be some doubt as to what is meant by that paragraph.

Will the Senator from New Jersey agree to striking that paragraph from the amendment?

Mr. SMITH of New Jersey. Could it be left in the amendment, and thus go to conference? Then, if adjustment were needed, and if it were found necessary to strike out that paragraph, that could be done. But some of the farmers in my State who are interested in this matter have asked that the paragraph be included in the amendment.

Mr. ELLENDER. As the Senator from New Jersey knows, the Senate has already passed upon the language incorporated in the amendment, with the exception of paragraph (4).

Mr. AIKEN. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. AIKEN. I think paragraph (4) means that a farmer who has been accustomed to raising oats, barley, and wheat for feed, could not plant an extra amount of wheat, and feed it under exemption from marketing quotas, and then put all of his oats and barley under Government loan.

Mr. ELLENDER. By what time would application for exemption from marketing penalties have to be made? This paragraph of the amendment would open the door; as I read it, a farmer could make application after other feed crops were placed under support.

Mr. AIKEN. That would have to be determined under the regulations issued by the Secretary.

Let me say that I have no objection to having this paragraph deleted from the amendment; I think it could be deleted.

Mr. SMITH of New Jersey. Personally, I do not object to deleting it from the amendment, if the Senator will liberalize—

Mr. ELLENDER. If the distinguished Senator from New Jersey will agree to delete this paragraph from the amendment, then all the language remaining in the amendment will be language which already has been passed upon by the Senate.

Mr. SMITH of New Jersey. My colleague [Mr. CASE of New Jersey] is present, and the Senator from Ohio [Mr. BENDER] is present. If my colleague will agree to eliminate it, I shall be glad to do so, and send the remainder of the amendment to conference.

Mr. CASE of New Jersey. Mr. President, I am glad to accept the suggestion. As the Senator from Vermont pointed out, those who suggested the provision proposed that it should not be made too liberal.

Mr. ELLENDER. Mr. President, does the Senator modify his amendment by striking out lines 12 to 15, both inclusive, on page 2?

Mr. SMITH of New Jersey. I do.

The PRESIDING OFFICER. The Senator modifies his amendment accordingly. Does he yield back the unused time?

Mr. SMITH of New Jersey. I am prepared to yield back the unused time. First, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have had prepared explaining the amendment as modified in detail.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Under section 402 of the bill as amended, the commercial wheat area would be reduced to include only States which received wheat allotments of 190,000 acres or more rather than 25,000 acres at present. Under this provision some nine States—Arkansas, Delaware, Georgia, Iowa, Maryland, New Jersey, South Carolina, West Virginia, and Wisconsin—will be excluded from the commercial wheat area and become ineligible for price supports at the level prevailing in the commercial area and for participation in the acreage reserve of the soil bank.

One of the purposes of reducing the commercial wheat area is to permit more farmers to produce unlimited wheat for feed purposes on their own farms without incurring the penalties which are incumbent upon any farmer producing excess wheat in the commercial area. However, the elimination of the nine States from the commercial area under the bill as pending would possibly have even more injurious effects upon the commercial wheat producers not only in the States so excluded but also in the remaining commercial wheat States.

Everyone is agreed that it is undesirable to expand wheat production at the present time. By enlarging the size of the non-commercial wheat area we are increasing the number of acres of wheat which may be planted without regard to acreage allotments. The nine States which are to be excluded from the commercial area under the bill have an acreage allotment for wheat of about 800,000 acres and by releasing them from restrictions we may very well increase the production of wheat, particularly when market prices improve, at the same time that the wheat producers in the commercial areas remain under acreage restrictions. Some of the existing noncommercial States have increased their wheat production under an absence of controls. Alabama with a record of harvesting only 14,000 acres from 1944 to 1953, jumped its acres of wheat production to 53,000 acres in 1955. If the wheat producers in the States which this bill would

add to the noncommercial area should increase their production measurably under the absence of restrictions on production, it would seem unfair to the producers of wheat in the commercial area where acreage allotments will persist.

Furthermore, within the States which will become noncommercial wheat-producing States if the bill passes as it is presently written, there are numerous wheat producers who have been producing commercially who will be discriminated against through not being able to receive the same level of price supports as producers in the commercial area. In 1955 one-third of the wheat production in New Jersey was under loan to the Government. These producers should be able to receive the same measure of price support as producers in the commercial area, if they desire to put their crops into loan.

What our amendment will do is to retain the commercial area as it has been, including all States with an acreage allotment of 25,000 acres or over, but to provide that farmers may produce wheat for feed in excess of their allotment under an agreement with the Secretary of Agriculture that none of their wheat would leave the farm, but be used for food, feed, or seed purposes on the producer's farm.

In this manner, those wheat producers who produce only for feed purposes will be permitted to raise wheat beyond their acreage restrictions, for use on their own farms. At the same time, commercial wheat producers in these States will remain under acreage restrictions and be eligible for price supports and the acreage reserve of the soil bank on an equality with commercial wheat producers elsewhere in the commercial area.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. DIRKSEN. As I understand, the Senator would strike out section 402, so as to restore the provision in existing law with respect to the limitation of 25,000 acres.

Mr. SMITH of New Jersey. That is correct.

Mr. DIRKSEN. And the new language, which would increase the acreage to 240,000, and would require the Secretary of Agriculture to make that acreage possible in States with less than 240,000, is definitely out of the bill?

Mr. SMITH of New Jersey. It is definitely out of the bill. We go back to the figure of 25,000.

Mr. DIRKSEN. Mr. President, will the Senator from New Jersey yield me 5 minutes?

Mr. SMITH of New Jersey. I yield 5 minutes to the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, I think we ought to make the RECORD clear. It seems astounding to me that we should increase the acreage in the noncommercial wheat area by nearly 1,200,000 acres. In my judgment, that is completely out of pattern with the basic principle of the soil bank. I do not see how we get anywhere by taking wheat acreage out, and bringing other wheat acreage in. We meet ourselves going and coming.

Perhaps it has no significance whatever, because under the so-called domestic parity proposal which has been written into the bill, I understand that anyone who raised wheat as long ago as 10 years can qualify, because the language of section 380c (a) (c) says:

(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the 10 calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of the normal yield of the acreage planted to wheat during such 10-year period. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of tillable acres, crop-rotation practices, type of soil, and topography.

To me that is a little astounding. People who have been raising wheat may have gone to soybeans or something else. Now this provision comes along. If a farmer raised wheat in any of the past 10 years, he comes under the provisions of the so-called domestic parity plan. My judgment is that we should strike the whole business out. I cannot find myself going along with a proposal, in the form of the soil bank principle, under which we are trying to adjust production by taking acres out of production, and in the same breath add 1¼ million acres under the provisions of section 402. I am delighted that the Senator seeks to strike out that portion of the bill. I am not at all sure that the Senator's substitute is an improvement, because I find it difficult to understand the substitute. So with great and consummate faith, I will accept it, in the hope that it will go to conference, where the conferees will be permitted to work their great and constructive will upon it.

Mr. SMITH of New Jersey. The points which the Senator from Illinois has made with regard to the 25,000 acre limitation are covered in the statement which I asked to have printed in the RECORD, so I think the situation will be clear.

Mr. ELLENDER. Mr. President, I ask unanimous consent that a brief explanation of the amendment which I have prepared be incorporated in the RECORD at at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This amendment, as modified, would:

1. Strike out the section of the bill restricting the commercial wheat area to States having allotments in excess of 190,000 acres (thereby including all States having allotments in excess of 25,000 acres);

2. Insert in the bill the provisions of S. 46 passed by the Senate last year which exempts from marketing quotas farms using their entire wheat crop on the farm for food, feed, or seed.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back his time?

Mr. ELLENDER. I yield back my remaining time.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back his unused time?

Mr. SMITH of New Jersey. I yield back all my unused time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH] for himself and other Senators, as modified.

The amendment, as modified, was agreed to.

Mr. MANSFIELD. Mr. President, on behalf of the senior Senator from Montana [Mr. MURRAY] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 25, between lines 14 and 15, it is proposed to add the following:

SEC. 225. Whenever management of family farms and/or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate in the Acreage Reserve program and to participate jointly in the Conservation Reserve program on property other than their home farms.

Mr. MANSFIELD. Mr. President, I shall take very little of the time of the Senate. I think the amendment is self-explanatory. I certainly do not anticipate that an hour will be spent on this amendment.

Mr. President, my amendment to allow the Secretary of Agriculture to permit farmers to pool acreage and conservation reserve rights, and participate in those programs with off-farm land, is intended to improve the pattern of conservation that will result from the soil-bank program.

There is need in this Nation to retire a great deal of cultivated land for conservation reasons, reasons entirely apart from the fact of surpluses and overproduction. Millions of cultivated acres need to be returned to grass and other millions of acres need to be reforested to halt their erosion and ruin.

Unfortunately, lands retired under the soil-bank provisions will not necessarily coincide with those which need to be retired for land use reasons. Under this act, whether a farmer is on level, black, Iowa prairie land, in the Great Plains blow lands where dust storms start, or on a southern Appalachian hillside, each of them will be encouraged to idle or establish conservation practices on a part of their holdings.

Similarly, small farmers, who need all the feed their limited acres will produce to maintain their livestock operations, will be urged under this act to idle or put a part of their acreage in one of the reserves.

The purpose of this amendment is to permit farmers within a small watershed or a large one, if the Secretary approves, to use their rights under the acreage reserve provisions and their opportunities under the conservation reserve provision to retire lands that most need to be retired from cultivation by pooling their soil-bank quotas and rights and applying them to off-farm acreage.

I am advised that in many small watersheds groups of farmers would probably take advantage of soil-bank provisions to acquire and retire lands that are eroding and creating downstream problems.

The payments which are provided under this act might very well be the original financial stimulus, or seed, required for neighbors, watershed groups, or soil-conservation district groups to join together in achieving a conservation land use pattern in their area which would make a worthwhile contribution not just to surplus production, but also to desirable adjustment of land use.

The amendment is drawn to leave actual authorization of such pooling of rights up to the Secretary of Agriculture. He might, after study, either promulgate criteria under such pooling as will be allowed, or require approval of each such project by his Department.

It is my hope that the Department will aggressively use the authority under the proposed provisions to maximize the conservation benefits of this program, which has been drafted primarily to reduce production.

What we really ought to do in the United States is adopt a program which will get back into trees and grass from 45 million to 85 million acres of land, now under plow, which should never have been plowed in the first place, or now needs to be retired. We would get the desired shrinkage of farm plant, and reduction in production of crops, as a by-product of the reestablishment of such good land use practices. Instead, we are going to get a measure—but not a full measure—of conservation out of an expensive crop reduction program.

If it were not for the emergency situation in agriculture, I would oppose the soil bank proposals. But it is an emergency situation, and I am therefore only offering this amendment to have at least adequate authority in the bill for the Department, in a less hurried period, to get as much sound conservation as they can out of the Government's soil bank dollars.

Before the Congress meets again, I think it would be extremely useful if our Committee on Agriculture and Forestry would prepare us a report on methods and relative merits of adopting the true conservation approach to this problem, based on land capability, instead of the approach of the present bill which is primarily reduction of production.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LANGER. Does the amendment have anything to do with corporation property?

Mr. MANSFIELD. No; that is not the intent of the amendment. The intent is to permit small farmers to pool their resources.

Mr. LANGER. I think it is a most desirable amendment.

Mr. MANSFIELD. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. Would the amendment permit the owner of 2 farms to take 1 farm completely out of production during 1 year and let it lie fallow, and use the other farm, and by alternating in that way get the benefit of the fallowing? In other words, would it not permit such a farmer to get the benefits of

the soil bank without having to pay for them?

Mr. MANSFIELD. That is not the intention or the idea I have in mind.

Mr. AIKEN. I know the Senator does not intend that.

Mr. MANSFIELD. The idea is to help small farmers to put into effect good conservation practices by pooling land which otherwise would not be of much use. The matter would be left to the discretion of the Secretary of Agriculture, who, I assume, would exercise discreet authority in the matter.

Mr. AIKEN. Would not the amendment benefit corporations which owned several farms?

Mr. MANSFIELD. No; it would not be of particular benefit to them. The intention is that it shall benefit small farmers.

Mr. AIKEN. How much different is the amendment the Senator is offering from the one the Senator from Tennessee [Mr. KEFAUVER] brought up for consideration 3 or 4 days ago?

Mr. MANSFIELD. I do not recall the amendment offered by the Senator from Tennessee.

Mr. AIKEN. Would it permit the farmer participating in acreage reserve who owns more than one farm to consolidate the acreage taken out of cultivation under the acreage reserve, and take the entire consolidated acreage out of any one farm he fully or partly owns?

Mr. MANSFIELD. That is not the intention of the amendment.

Mr. AIKEN. I know the Senator would not intend that. I wonder whether it would not do so, however. I am sure the Senator knows the source of his proposed amendment.

Mr. MANSFIELD. The amendment is offered by the senior Senator from Montana and myself.

Mr. AIKEN. Would not the amendment permit that to be done, even though a farm was acquired for the sole purpose of a consolidation?

Mr. MANSFIELD. If that were done, it would be contrary to the intent of the amendment.

Mr. AIKEN. I know. However, the Department feels that this would increase administrative difficulties, particularly where the farms might be located in several States.

Mr. MANSFIELD. That would be contrary to the intent of the amendment.

Mr. AIKEN. They feel they would not be able to keep up with the persons who owned the farms.

Mr. MANSFIELD. Such a practice would be opposed to the intent of the amendment I am offering. My distinguished senior colleague [Mr. MURRAY] and I have no such intention in mind. What I have in mind is that farmers in a given locality shall be able to put into effect conservation practices under this arrangement.

Mr. AIKEN. I have a comment of the agricultural conservation program Service on the amendment proposed by the Senator from Tennessee [Mr. KEFAUVER]. They feel that the amendment:

1. Would permit a farmer to transfer his acreage taken out to one farm which would then be kept idle.

That is agreeable, of course.

2. Would increase administrative difficulties, particularly where farms were located in several States.

3. Would give corporate farms special benefits.

4. Might provide loophole for evasion of landlord-tenant requirement.

I am not familiar with the Senator's amendment. It may not be the same, but we do not want to allow these things to be done and the effect of the soil bank nullified. I know the Senator from Montana does not want to do that.

Mr. MANSFIELD. I would be opposed to the last three provisions. I believe the first one is sound. I believe the amendment would bring about sound practices so far as the small farmers in my State are concerned.

Mr. AIKEN. I can understand how it would be helpful to a man who owned 2 or 3 small farms in a community. I can understand, too, how it might be useful to some of the larger farms, on which we have been trying to put some limitations.

Mr. ELLENDER. I should like to say to my good friend from Vermont that, as I understand the pending amendment, it is limited to small farms.

Mr. AIKEN. How small?

Mr. ELLENDER. That is the question I was about to ask the Senator from Montana.

Mr. AIKEN. I am at a disadvantage by reason of the fact that the amendment has not been printed.

Mr. ELLENDER. In that respect, that is, in its application to small farms, it is different from the Kefauver amendment.

Mr. MANSFIELD. I should like to point out to the chairman of the committee and to the ranking minority member of the committee that the amendment would leave the actual authorization up to the Secretary of Agriculture. He would have authority to lay down sufficient criteria to govern it. No matter who would be in the position of Secretary of Agriculture, I am sure he would not do anything contrary to what we have in mind.

Mr. AIKEN. The amendment is authorization only.

Mr. MANSFIELD. That is correct.

Mr. AIKEN. That is helpful.

Mr. MANSFIELD. The authority is entirely up to the Secretary.

Mr. AIKEN. But the Secretary has his hands full most of the time.

Mr. MANSFIELD. That is true.

Mr. ELLENDER. I wonder if the Senator would tell us what benefit would accrue to the small farmers by consolidating acreage in order to participate in the acreage-reserve program. I can well understand that benefits might so accrue to them with respect to participation in the conservation-reserve program. However, with respect to the acreage-reserve program, I am in doubt that any benefits would flow to small farmers. Under the acreage-allotment provisions of the present law each farmer is allotted so many acres of wheat, so many acres of corn, and so many acres of cotton, and so on; an acreage-reserve contract will then be made with each farmer to the end that

he will not plant a certain number of his allotted acres. With respect to this phase of the soil bank, I am unable to see what benefit the amendment would bring. It strikes me, if the Senator would limit his amendment to the consolidation of land for the purpose of participating in the conservation-reserve program, I would have no objection. It might then serve a most useful purpose.

Mr. AIKEN. I know the intent of the Senator from Montana is good. I know he intends to be helpful to the people he knows, who are small farmers. I was just simply pointing out the possibilities of its permitting things to be done which the Senator from Montana never would countenance. Therefore, I was seeking information. Not having had the amendment in printed form before me, I had not been able to get too accurate information on it.

Mr. ELLENDER. Although this amendment is not worded in the same manner as the Kefauver amendment, it would, in my belief, nullify, to a considerable extent, the effectiveness of the acreage-reserve program, in the same manner as the Kefauver amendment.

It would seem to me that the greatest benefit that might accrue to small farmers by pooling their land under the acreage-reserve program, would be that they could get their bad land out of production and good land in.

Mr. MANSFIELD. That would be partly the result, particularly with respect to eroded land.

Mr. ELLENDER. If that were done, it would defeat the purpose of the acreage reserve program, because under the acreage reserve program as contemplated in this bill, our primary desire is not to take part of the bad land out of production, but the average land—the land a farmer would normally plant. Of course, when the acreage reserve contract is entered into, it will have to be done upon the basis of inspection of the land involved by representatives of the Department of Agriculture, to make sure that whenever a farmer takes out land it is not poor land, but at least average land.

Mr. AIKEN. We do not want to permit anyone to take out conservation reserve type land and accept acreage reserve payments for it.

Mr. ELLENDER. As far as I am concerned—and I call this to the particular attention of the Senator from Vermont—

Mr. AIKEN. Yes.

Mr. ELLENDER. If the Senator from Montana would strike from his amendment its applicability to the acreage reserve program and let the farmers pool the land only insofar as the conservation reserve is concerned, I would have no objection to it.

Mr. AIKEN. I think that would be all right.

Mr. ELLENDER. If the Senator from Montana will modify his amendment to that extent, I will not urge any objection to it. At least we could take the amendment to conference.

Mr. AIKEN. Then, if there was any doubt about it, the conferees could undoubtedly correct it.

Mr. MANSFIELD. Mr. President, I ask that I may modify my amendment in lines 3 and 4 of the amendment, by striking out the words "participate in the acreage reserve program and", so as to make the amendment read:

SEC. 225. Whenever management of family farms and/or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

Mr. ELLENDER. With that change, I can see no reason why the amendment should not be adopted.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). The Senator has a right to modify his own amendment. The amendment is so modified.

Mr. AIKEN. At least we can take it to conference.

Mr. ELLENDER. Mr. President, I relinquish the rest of my time.

Mr. MANSFIELD. Mr. President, I relinquish my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana, as modified.

The amendment, as modified, was agreed to.

Mr. MANSFIELD. Mr. President, I offer another amendment which I send to the desk and ask to have stated.

Mr. ELLENDER. Is the Senator's amendment printed?

Mr. MANSFIELD. Unfortunately, no.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The LEGISLATIVE CLERK. On page 28, after the period in line 5, it is proposed to add the following:

The Secretary shall institute purchase programs with funds appropriate pursuant to section 32, Public Law 320, 74th Congress, as amended, or pursuant to this section, whenever supply of a commodity causes it to drop below fair-price levels. In determining such fair levels the Secretary shall consider price necessary to give farmers a fair return, giving consideration to production costs and, in the case of animals and animal products, to an equitable relationship between the support level of feeds and the prices of animals and animal products. In the case of hogs, cattle, sheep, and lambs, chickens and eggs, purchase programs shall be instituted at least whenever price falls below 85 percent of parity.

The PRESIDING OFFICER. How much time does the Senator from Montana yield himself?

Mr. MANSFIELD. I yield myself 5 minutes, Mr. President.

Mr. President, last fall the administration announced a 9-point agricultural program which included a pledge of effective purchase programs whenever market gluts unduly depressed the price of a farm commodity.

Since that announcement, the administration has watched cattle prices decline to 64 percent of parity without instituting any purchase program at all.

As hog prices were skidding down to 50 percent of parity, the administration announced that it would buy, over a 9- or 10-months period, about \$85 million worth of pork products for established feeding programs such as school lunches.

It was made completely clear that this was not a price-support operation. The program was so small that it failed entirely to halt the hog price decline.

Twice during the cattle price decline, which has brought economic hardship and ruin to many cattlemen in my State and others, I have joined with other Members of Congress to urge Secretary Benson to institute a beef-buying program. The first letter, sent on December 8, 1955, brought a reply dated December 22 from Assistant Secretary Earl Butz that "we are giving serious consideration" to measures to help the cattle industry, but he added:

Even if all such means as surplus removal, etc., are employed to the maximum extent, the effects would be only of limited value and would not have significant lasting results.

As you know * * * the real solution of our livestock price problems lies in producing right and marketing right.

On December 30, I joined with 12 other Senators in a letter again appealing to the Secretary for action to support cattle prices, which were then down around 64 percent of parity. That letter was not answered.

In both of these letters, we have pointed out to Secretary Benson that funds were available to him for purchase programs. In December there was available at least \$115 million which could have been devoted to beef purchases.

These past events have demonstrated that it is useless to make funds, in addition to the section 32 funds, available to the present Secretary of Agriculture for removal of surplus agricultural commodities unless we are going to make the use of those funds mandatory at some point.

In my amendment I have proposed that the Secretary shall institute purchase programs when the price of a commodity falls below a fair level, and that the Secretary shall consider farmers' costs and a fair return in determining what a fair price level is. Further, the Secretary is instructed to consider equitable relationship between feed price supports and livestock prices in determining a fair price level on animals and animal products. Finally, in the case of hogs, cattle, sheep and lambs, and poultry and eggs, the Secretary is instructed to institute purchase programs when a commodity falls below 85 percent of parity.

This 85 percent of parity is too low. We should support farm prices at a higher level. But I have used the figure because purchase programs are not a system of support. They are only an emergency measure, and an emergency measure unlikely to be employed by the present administration unless we make its use mandatory at some price level.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

Unfortunately, the amendment offered by the Senator from Montana has not been printed and I have not had much time to study it, but it strikes me that the amendment would be unworkable. The Secretary of Agriculture now has authority to utilize section 32 funds principally in order to make purchases whenever the market gets in oversupply as to hogs, cattle, fresh fruits, and other

commodities on which there are no mandatory price supports. Before the Secretary could use these funds he would have to make a determination, that the supply of a commodity has caused its market price to fall below a fair price level and if the price falls below this level, or with respect to hogs, cattle, sheep, lambs, chickens and eggs, it falls below 85 percent of parity, he would have to start purchasing. That purchasing, I presume, would have to continue until the price goes back up to the level provided in the amendment.

I wonder, Mr. President, how much the program would cost, because it would be an easy matter to make a determination that hogs as well as cattle are selling far below 85 percent of parity. As long as the market price stays below that level, the Secretary would have to continue to buy. I imagine that we would have to increase the authorization for additional section 32 funds that we now have in the bill by many hundreds of millions of dollars. Mr. President, section 32 funds have been used to some success up to this time to remove market gluts of perishable commodities. It may be that a better job could have been done, but I am not here to argue that. The point I want to emphasize is that section 32 funds are used principally in order to alleviate surpluses of certain commodities.

As we all know, the Secretary is not permitted to utilize more than one-fourth of the section 32 funds available in any one year in connection with any single commodity. As I have pointed out several times on the floor of the Senate, there is an authorization in the pending bill which provides for an additional quarter of a billion dollars in order to supplement section 32 funds, without any strings attached. If the Secretary desires to spend it all on supporting the price of one commodity, he may do so.

I understand that an amendment is now pending to increase the amount to one-half billion dollars. Personally, I would not object to that sum. But this amendment, to my way of thinking, would be unworkable. It would force the Secretary to make a determination, whenever the market price of a commodity falls below a certain level. With respect to hogs, cattle, sheep, lambs, chickens, and eggs, the level is 85 percent of parity. Once the determination has been made, there is no telling how much money will have to be spent in order to alleviate the surpluses and stabilize the market.

Mr. DIRKSEN. Mr. President, will the Senator from Louisiana yield for the purpose of my asking the Senator from Montana a question?

Mr. ELLENDER. I yield.

Mr. DIRKSEN. I notice in the proposal that with respect to hogs, cattle, sheep, and lambs, the Senator sets an 85-percent-of-parity level below which the Secretary would be instructed to buy, using section 32 funds.

Mr. MANSFIELD. That is correct. I understand there is plenty of money left in the fund which has not been used for the purpose of buying.

Mr. ELLENDER. The exact figure up to a month or two ago was \$444 million.

Of that amount, one-fourth could be used, let us say, to buy hogs. Up until this time, the Secretary has used for hog purchases, as I remember, \$80 million, so there would be only \$31 million left for the hog-purchase program. The Senator can readily see it would not take long to use up that amount, and perhaps hundreds of millions more, if the Secretary is forced to engage in purchasing whenever the commodity falls below 85 percent of parity.

Mr. MANSFIELD. I want to see it high enough to have something by which to measure the range of prices. I think it ought to be brought out that the cattle industry for the past few years has been suffering a tremendous decline. In my State, I understand that very few cattlemen have even paid an income tax, because their profits have been declining steadily. I know that in the Midwest area, hog farmers have been having difficulty, and they are still not out of the woods. Something should be done to give them consideration.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. DIRKSEN. I notice in the first part of the amendment that the Senator referred to "commodity."

"Whenever the supply of a commodity causes it to drop below fair price levels."

Mr. MANSFIELD. Yes.

Mr. DIRKSEN. What is included in the word "commodity"?

Mr. MANSFIELD. A determination would have to be made by the Secretary of Agriculture so far as each particular product was concerned.

Mr. DIRKSEN. Am I correct in assuming that the sky is the limit?

Mr. MANSFIELD. Not the sky, no; but the cost of feed, labor, transportation, and factors of that sort, would have to be considered for the given product.

Mr. DIRKSEN. No. I am speaking of what is denoted by the word "commodity." The amendment reads: "Whenever the supply of a commodity."

Mr. MANSFIELD. That is correct.

Mr. DIRKSEN. There are the basics and the nonbasics; and beyond them there is a whole range of commodities.

Mr. MANSFIELD. What I had reference to, as the Senator from Illinois knows, is the particular commodities or products listed in the remarks I made relative to the amendment and in the amendment which was offered.

Mr. DIRKSEN. The Senator puts upon the Secretary, also, the burden of determining what is a fair price level.

Mr. MANSFIELD. Yes.

Mr. DIRKSEN. We know that on occasions when the Secretary thought a certain level was a fair price level, many other persons did not believe it was a fair price level. So the amendment offers a host of controversies.

It seems to me that it is so general in nature that the administration of the amendment would be difficult, indeed. It might prove frightfully expensive before we got through.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. MANSFIELD. I yield myself 1 minute.

I think something must be done to help the cattle men and hog producers, because the prices are still too low. What the cattle men in my part of the country are doing is selling their stock at considerably less than it cost them to keep them. I hope the Department of Agriculture will take this matter into consideration, to see what can be done to give some relief to those who need it.

Mr. DIRKSEN. Mr. President, I feel myself constrained to vote against the amendment because it is so nebulous and vague in its dimensions. It puts upon the Secretary of Agriculture a burden he would find difficult, indeed, to compress within the terms of the amendment.

Mr. ELLENDER. Mr. President, since the distinguished Senator from Montana has yielded back his time, I yield back the rest of my time.

The PRESIDING OFFICER (Mr. BIBLE in the chair). All time on the amendment of the Senator from Montana has been yielded. The question is on agreeing to the amendment offered by the Senator from Montana.

The amendment was rejected.

Mr. LANGER. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from North Dakota.

The LEGISLATIVE CLERK. On page 30, between lines 17 and 18, it is proposed to insert the following:

DONATION TO PENAL AND CORRECTION
INSTITUTIONS

SEC. 310. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price-support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate commodities acquired through price-support operations to Federal penal and correctional institutions, other than food products to those in which food service is provided for inmates on a fee, contract, or concession basis.

Mr. LANGER. Mr. President, I have discussed the amendment with the chairman of the Committee on Agriculture and Forestry, and he is willing to take it to conference.

I ask unanimous consent to have printed at this point in the RECORD, in connection with the amendment, a letter I have received from Mr. James V. Bennett, Director of the Bureau of Prisons, United States Department of Justice.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF JUSTICE,
BUREAU OF PRISONS,
Washington, March 15, 1956.

HON. WILLIAM LANGER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR LANGER: Attached is a short suggested amendment to the pending farm bill which would make it possible for Federal and State penal institutions to obtain some of the surplus commodities in the hands of the Government.

You will remember that we discussed the possibility of making this food available to us so that we could enrich the diet of prisoners and provide them with a little more diversified menu. The amendment provides that the Secretary of Agriculture would distribute the items under such regulations as he would promulgate and thus he can, if he thinks proper, require that making these available to institutions should not reduce the amount of similar commodities they purchase in the open market. Consequently there would be no reduction in the gross demand for such products.

Making these items available would have the incidental advantage of promoting the health of men in some institutions who as you know are not now receiving a balanced diet. It should go a long way also to reducing the complaints of inmates about food, which as you know is frequently the basic cause of prison disturbances.

If opportunity permits and you think well of the amendment I hope you will introduce it at the appropriate place.

Sincerely yours,

JAMES V. BENNETT, *Director.*

Mr. LANGER. Mr. President, since I have discussed the amendment with the Senator from Louisiana, and he is willing to take it to conference, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I discussed this amendment with the Senator from North Dakota before he introduced it. He agreed to modify the amendment by striking out the reference to State and county penal institutions, and to restrict the effect of the amendment to Federal institutions. With that modification, I have agreed, if there be no objection, to take the amendment to conference.

I yield back the remainder of my time.

The PRESIDING OFFICER. Has the amendment been modified in that respect?

Mr. ELLENDER. Yes, it was modified before the Senator from North Dakota introduced it. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated 3-7-56-N, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Pennsylvania.

The LEGISLATIVE CLERK. On page 48, beginning with line 3, it is proposed to strike out over through line 20 on page 49, as follows:

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

SEC. 602. (a) For the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and

shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary.

Mr. MARTIN of Pennsylvania. Mr. President, I suggest, if it be possible to do so, that the junior Senator from Minnesota [Mr. HUMPHREY] be notified that my amendment is under consideration, because I know he is interested in opposing the amendment.

The PRESIDING OFFICER. The junior Senator from Minnesota will be so notified.

Mr. ELLENDER. I have sent for him.

The PRESIDING OFFICER. How much time does the Senator from Pennsylvania yield to himself?

Mr. MARTIN of Pennsylvania. I yield myself 15 minutes, although I do not think I will require that amount of time.

Mr. President, this amendment proposes to strike out all of section 602 of S. 3183, entitled "Forest Products; Price Reporting; Research."

Section 602 would authorize the Secretary of Agriculture to—

First. Establish a system of price reporting on forest products and sales of standing timber;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

I oppose this section for two very fundamental reasons:

First, because none of these proposals will provide any immediate or long-term benefits to farmers.

Second, because section 602 is unnecessary, as Congress has already given the Secretary of Agriculture authority to perform the work provided in this section.

The Secretary of Agriculture has had this authority for years—in the Organic

Act of the Department of Agriculture of 1862, in the McSweeney-McNary Forest Research Act of 1928, and the Research and Marketing Act of 1946. Section 602 implies that farmers and other sellers of forest products cannot get prices or price information on forestry products. This is not the case.

Many States already provide information on markets and prices for forest products. For the other States there is ample authority for cooperative agreements between such foresters and the Secretary of Agriculture to provide needed information.

Economic information regarding forest products, and research to develop methods for accumulating market information, is already being done. There is no useful purpose for duplicating authority or by compelling the Secretary of Agriculture to act when a more efficient action is being and can be taken by the States, in cooperation with the Secretary of Agriculture, if the States so desire.

I have in my hand more than two dozen references to reports and publications which represent a small sample of the coverage in this field.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, a listing of these publications and sources of information on the prices of forest products.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

**LISTING OF SOURCES OF INFORMATION ON FOREST PRODUCTS PRICES
FROM THE FOREST PRODUCTS INDUSTRY**

1. All farmers or other sellers of forest products may at any time learn the prices offered for forest products which they have to sell from any buyer, dealer, pulp mill, sawmill, or other user of forest products if the latter is in the market and within an economical shipping range. Many mills post their prices in newspapers, magazines, over the radio, mail out notices periodically, and otherwise make known to all who might be interested in their prices, specifications and needs as to volumes of forest products.

2. Prices for pulpwood, logs, and lumber are from time to time published in industrial trade journals which reach in turn many branches of the United States Forest Service, and State Forestry and Extension Services who have various publications or means of getting this information to farmers and other sellers of forest products.

3. Examples of articles or tables of prices printed in trade journals are as follows:

A. Page 98, Pulp and Paper magazine, May 1955: Pulpwood Prices in Lower Columbia River Area; Pulpwood Prices in Lake States; Trends in Price of Southeast Pine.

B. Page 172, the Lumberman, 1955 Forest Industries Yearbook number: Volume and Value of Timber Cut, According to Product, Southern Forest Region, July 1, 1953, to June 30, 1954. Page 173, Volume and Value of National Forest Timber Cut, 1905-54. Page 176, Comparison of Average Stumpage Prices, 1954, Forest Service Region 6; Volume and Value of Timber Cut From Department of Interior Lands. Page 178, Comparison of Average Appraised and Bid Prices for Major Species, Region 5; Comparison of Average Stumpage Prices, 1954, Forest Service Region 1. Page 179, Comparison of Stumpage Prices, Eastern Forest Service Region, 1954.

Page 180, Average Stumpage Prices, Southwest Forest Region, 1954. Page 183, Southern Pine Stumpage Prices, 1953-54, for Forest Service Region 8 (all species of southern pine

timber included together). Page 184, Comparison of Average Stumpage Prices, 1954, Forest Service Region 3; Comparison of Average Stumpage Prices, 1954, Forest Service Region 4. Page 183, Southern Pine Stumpage Prices, 1953-54, for Forest Service Region 8 (all species of southern pine timber included together).

C. From compilations of Southern Pine Association, New Orleans, La. (source: U. S. Forest Service, Atlanta, Ga.); Southern Pine Stumpage Costs Based on National Forest Timber Sales—1953.

D. Page 98, the Timberman, February 1956, Log Prices Held at Previous Levels.

E. Pages 134-135, the Lumberman, September 1955; Log and Lumber Prices.

FROM EXTENSION FORESTERS, STATE FORESTRY COLLEGES OR DEPARTMENTS

All State extension forestry departments, State forestry departments, forestry and agricultural schools and colleges have some of the most significant data on hand concerning prices of forest products or are in a position to advise farmers how to get prices. Some States issue periodic reports or occasional bulletins in this field, such as—

A. Wisconsin Forest Products Price Review; compiled in the extension forestry office, College of Agriculture, University of Wisconsin, under the supervision of Fred B. Trenk, extension forester, the district foresters of the Wisconsin Conservation Department, and the wood-using industries co-operating.

B. Forest Market Report, 1952; extension service in agriculture and home economics, University of New Hampshire, in cooperation with the State forestry and recreation commission.

C. Marketing Woodlot Products in the State of Washington; institute of forest products, department of conservation and development, 303 Anderson Hall, University of Washington, Seattle, Wash.; Bulletin No. 15, 1954.

The United States forest experiment stations are constantly making studies, doing research and issuing reports, notes, and advice to farmers and other forest owners. Examples of some of their work in this field are:

A. Southeastern Forest Experiment Station, Asheville, N. C.; Trends in the Price of Southeastern Pine Pulpwood, 1938-52.

B. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 57, Pine Sawtimber Stumpage Prices in South Carolina, 1948-54.

C. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 43, Pine Sawmilling Costs by Log Size.

D. Pulpwood and Log Production Costs in 1945 as Compared With 1940; R. P. Reynolds, forest economist, Southern Forest Experiment Station.

E. Pulpwood Production Costs in Southeast Arkansas, 1950; Southern Forest Experiment Station.

F. Cost of Producing Pulpwood on Farm Woodlands of the Upper Connecticut River Valley, United States Department of Agriculture, Northeastern Forest Experiment Station Yale University).

FROM UNITED STATES FOREST SERVICE, WASHINGTON, D. C.

For years the United States Forest Service has been making special studies and issuing technical bulletins such as TB No. 626, Stumpage Prices of Privately Owned Timber in the United States (July 1938).

It used to issue each year a statistical bulletin entitled "Stumpage and Log Prices." These were compiled from questionnaires sent to thousands of buyers of forest products and worked in cooperation with the Bureau of the Census. This series came out annually from 1928 to 1948 except for a few years. The Service still collects information of this type quarterly but it no longer publishes these bulletins which could in the

past be obtained free or at a nominal charge by farmers or others interested. The Service does not need any authorization to publish these bulletins, and should resume this service to tree farmers, foresters, and all buyers and sellers of forest products.

FROM UNITED STATES BUREAU OF THE CENSUS

Some figures on the prices paid or costs of pulpwood, sawlogs, and other forest products are collected and issued periodically in the United States Census of Manufacturers. These figures are, of course, available to all the previously listed sources of information that are in a position to get this to tree farmers, foresters, and others concerned.

Mr. MARTIN of Pennsylvania. Mr. President, the essentials of section 602 were contained in S. 2105, a bill introduced by my distinguished colleagues, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Alabama [Mr. SPARKMAN], in the first session of this Congress. Without public hearings having been held, we now find the terms of S. 2105 appearing as section 602 of S. 3183.

I am sure the matter was discussed in committee, but those who would object to section 602 have not been given an opportunity to be heard.

It is strongly suggested that the purpose of section 602 (d), calling for a study, is a prelude to "recommending to the Congress within 2 years an appropriate formula for the establishment of parity prices on such products."

Mr. President, we are all interested in farm legislation, and we should concentrate on a solution of the problem of farm products prices and the increasing farm surpluses. I am opposed to extending this to forest products.

I realize that the reference to parity prices is not in section 602 now, but the study contemplated is still called for.

We should see that this proposal, involving additional Federal expenditures and costly, unnecessary reports, in a field that has little bearing on the farm problem, should have a full and complete hearing.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I understand the Senator to say the text of S. 2105 was in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. Yes. I think that is correct.

Mr. ANDERSON. Is the Senator aware that S. 2105 was very drastically changed by the Committee on Agriculture and Forestry, and that what the Senator has been talking about is something that is not in that bill?

Mr. MARTIN of Pennsylvania. I beg to disagree with the distinguished Senator from New Mexico. It does call for making these reports.

Mr. ANDERSON. What is wrong with the making of a report?

Mr. MARTIN of Pennsylvania. Referring to my own State, half of Pennsylvania is covered with woodland. Owners are now cutting second growth timber for pulpwood and chemical wood, and those small owners do not want to be worried with having to make these quarterly reports.

Mr. ANDERSON. The Secretary is the one who is going to make the reports, is he not?

Mr. MARTIN of Pennsylvania. How will he get the information if he does not get it from the owners?

Mr. ANDERSON. Subsection (d) of section 602 of the bill provides:

The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products and within 2 years thereafter he shall report thereon to the Congress.

Does the Senator object to that?

Mr. MARTIN of Pennsylvania. Mr. President, I have great confidence in the Senator from New Mexico, but I do not see how the making of such reports would be of any advantage to the owners of these small tracts of woodland which exist in many places in the United States. That is becoming quite an industry. In my own State farmers farm their land during the agricultural season, and in the wintertime they cut timber for pulpwood and chemical wood. It used to be done for pit posts, but such use has been supplanted by steel. I think the making of the reports is an unnecessary expense to such owners. I do not see how it will be of any advantage, as far as the farm bill is concerned.

Mr. ANDERSON. May I say to the able Senator that timber is still a crop in many areas, and, therefore, is part of a farm bill. The committee from which the bill has been reported is the Senate Committee on Agriculture and Forestry, and it seems to me that forestry is a part of the activities of the committee and that it belongs in a farm bill.

I believe what the Senator has been objecting to is something that was in S. 2105, but it was eliminated from the bill when it was before the Committee on Agriculture and Forestry. I have in my hand a copy of S. 2105, which the Senator has the privilege to examine, if he wishes. The language in it was that the Secretary of Agriculture should collect all that information, and make his recommendations as to an appropriate formula for the establishment of parity prices for such products.

That is what stirred up all the protests from the sawmill operators, but when the language was changed by the Committee on Agriculture and Forestry so it bore no relationship to that, I understand all those people withdrew their opposition to it.

I am not sure the Senator from Pennsylvania has the latest information on the bill, because when we eliminated the provision requiring the persons affected to submit a report, the forest people agreed to it. I know the able chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] had protests from his State, but when the forest people found out that language had been eliminated, they agreed that the bill was satisfactory.

I wondered if there are operators in Pennsylvania who object to the Secretary of Agriculture's making the report. We have taken out of the language the provision that the sawmill operators, generally speaking, objected

to, and that was arriving at a parity formula.

Mr. MARTIN of Pennsylvania. I agree fully that this is a matter for the Committee on Agriculture and Forestry, because forestry, particularly what we in our State call small woodlots, is a very important segment of agriculture. In my own State there is a payroll in the forestry industry which amounts to about a half million dollars. It has really become a big business. As I stated a moment ago, half of Pennsylvania is covered with woodland. With the exception of probably 10,000 acres, the timber is all second growth. Our people feel this is just a step for requiring a quarterly forestry report, which will require a great deal of effort. Farm people do not have the clerical help to make reports of this kind.

In addition to that, it seems to me it involves an additional expense. It probably means that the Secretary of Agriculture will have to have a payroll for additional employees.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. I think my good friend, the Senator from Pennsylvania, has already made the point that—as has already been pointed out—the language to which we are now referring is not the language of the bill (S. 2105), to which there was objection. Instead, the Senator from Pennsylvania is speaking of the fear that these farmers will have to do considerable clerical work in making the reports.

However, if the Senator from Pennsylvania will note subsections (b), (c), and (e) of section 602 of Senate bill 3183, the pending bill, as those subsections appear on pages 48 and 49, he will note in subsection (b) a provision that—

The price supports made by the Secretary * * * shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate—

And so forth. Then in subsection (c), we find that—

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

So the entire purpose here is, as has been stated by the Senator from Pennsylvania in the course of his own argument, to provide to the very large number of small timber farmers, accurate economic and statistical information in regard to current price trends. Throughout the Nation there are thousands and thousands of timber farmers who have no means at all of knowing what the overall market price for various types of timber is unless they obtain that information from the large timber companies. It seems to me that when sta-

tistical information is being presented by the Department of Agriculture in regard to practically every commodity one can think of, except timber—

The PRESIDING OFFICER. The 15 minutes yielded to himself by the Senator from Pennsylvania have expired.

Mr. HUMPHREY. Mr. President, will the chairman of the committee yield some time to me?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. I thank the Senator from Louisiana.

Mr. President, it appears that, because of the very lack of such information, there is need for the compilation of such statistical and economic reports.

The language of Senate bill 2105, to which there was some objection, required that the Secretary set up a formula for a parity-price structure. But that language has been stricken from the pending bill, Senate bill 3183.

The only purpose at all in this case is to give timber farmers a chance to market their products under conditions under which they will know what the going market price is, rather than to have to have the big lumber companies say to them, "This is the price." No one in the world would want to operate on such a basis. The Department of Agriculture, the Department of Labor, and the Department of Commerce prepare statistical material on practically every conceivable subject, save timber.

Mr. FLANDERS. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. FLANDERS. The Senator from Pennsylvania has described a forest situation which seems to me to be almost a duplicate of that existing in my own State.

What I do not understand is why that is not an argument for having price reports from the Department of Agriculture, for somewhat the reasons as those stated by the Senator from Minnesota. I do not know what the purchasers of lumber in my State think about the matter; but I feel very safe in saying that the producers of lumber from small tracts would strongly welcome such price reports, and would be grateful for them. I hope we shall not make it impossible for them to take advantage of such reports.

Mr. MARTIN of Pennsylvania. In answer to the distinguished Senator from Vermont, let me say that before he entered the Chamber, I submitted a long list of places in various parts of the United States where that information can be obtained. I have not received any complaint from a single small woodlot owner in my State that he has not been able to secure this information. But I have received a considerable number of complaints that they are fearful that they may be required to make quarterly reports, and that this provision will be the first step in requiring them to do so.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. In view of the market quotations the Department of Agriculture issues on milk products, on cereal grains, and fruits and vegetables, and on practically every other commodity one can think of, I think it is fair to say that the farmers themselves are not required to make quarterly reports.

Generally, there is cooperation by the local State marketing services, along with whatever Federal agencies may be operating in the area—and with all of them directing their activities to the study of these particular commodities, and working in cooperation with the Department of Agriculture. I know that is the situation in our State, and I am sure it must be a rather universal situation—namely, that a State agency works with the Federal agency, in connection with these marketing reports.

Mr. AIKEN. Oh, yes. So far as I know, all the State agencies favor the issuance of this information. As I understand, the Forest Service now has authority to issue most of the reports contemplated by the section, but it never has had appropriations with which to do the work.

The original proposal of the Senator from Minnesota contained a proviso for establishing parity prices for forest products. I think it would be almost impossible to do so, because 1 stand of timber might be worth \$25 a thousand, and an identical stand only a mile away might not be worth \$10 a thousand on the stump, because of the terrain.

Mr. HUMPHREY. As in the case of many proposals, when we get them under the light of examination, we find their weaknesses.

Mr. AIKEN. Yes.

Mr. HUMPHREY. So we withdrew that provision; and the bill does not now contain any direction at all for the establishment of parity prices for forest products. But the bill does contain a direction for the issuance of marketing reports, in the provision on page 49 that—

The Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield an additional 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes more.

Mr. HUMPHREY. Mr. President, I merely say that we are here dealing with two features of the bill. One of them calls for the preparation and issuance of marketing reports; the other

relates to the stimulation of research and investigation—and I now read from the provision—"to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

It seems to me that part of the bill has great economic value.

Mr. ELLENDER. The Senator from Minnesota is referring to section 601 and section 602 of the bill, in title VI, beginning on page 46—the section relating to reforestation programs, is he not?

Mr. HUMPHREY. That is correct. That is the proposal the Senator from Vermont sponsored—a proposal which I believe is long overdue; and I believe it may amount to one of the greatest advances in forestry that has been made in years. I refer particularly to section 602, under the heading "Forest Products; Price Reporting; Research." It deals with the marketing of forest products.

Mr. MARTIN of Pennsylvania. My amendment proposes that all of section 602 be stricken from the bill.

Mr. HUMPHREY. Mr. President, the Senator from Pennsylvania and I have had some personal conversations about this subject.

Let me say, in passing, that I have just left the Senate restaurant, to return to the floor; and I left at my table in the restaurant a platter of wonderful roast beef. It is unfortunate to have to do that.

Mr. MARTIN of Pennsylvania. I am very sorry that occurred.

Mr. HUMPHREY. However, let me say that I think the Senator from Pennsylvania and I understand each other's positions now, particularly in light of the original proposal contained in Senate bill 2105, requiring the Secretary to set up a formula for a parity price structure. That provision of Senate bill 2105 has been deleted from the bill which now is before us; but the pending bill—S. 3183—still contains the provisions to which we have just referred, namely, those dealing with price reporting and research in the case of forest products.

I have received telegrams and letters on that subject; and I have replied that the language calling for a formula for a parity-price structure for forest products has been eliminated from this bill, and that in the pending bill we have included provision for the minimum which should be done, namely, bringing up to date the reporting services of the Department of Agriculture. I hope that provision will be left in the bill.

Mr. MARTIN of Pennsylvania. Mr. President, I may say that the principal objection I have received to this part of the bill comes from our Pennsylvania Department of Forests and Waters. It claims that it already is giving this kind of service; and it says that this section of the bill will call for a duplication and for an additional payroll on the part of the Federal Government which will be unnecessary.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I correctly understand the Senator from Pennsylvania to say that the Pennsylvania Department of Forests and Waters has been making a study of price trends and relationships for basic forest products, such as is mentioned in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. That is correct.

Mr. ANDERSON. Has that department published anything on that subject?

Mr. MARTIN of Pennsylvania. It has issued bulletins; and any citizen of the Commonwealth has a right to get in touch with our department of forests and waters. That department has been doing this work for several years.

Mr. ANDERSON. It has been issuing reports on price trends?

Mr. MARTIN of Pennsylvania. It studies all such matters, including the matter of additional output for forest products.

Mr. ANDERSON. Does the Senator from Pennsylvania happen to have one of that department's reports with him?

Mr. MARTIN of Pennsylvania. I do not, I am sorry to say.

Mr. ANDERSON. It has been a well-kept secret.

Mr. MARTIN of Pennsylvania. It has not been in Pennsylvania.

Mr. COTTON. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 5 additional minutes.

I now yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I wish to say to the Senator from Pennsylvania that I desire to associate myself with him, in support of his amendment.

In my State we have a pulp and paper industry which has been struggling to hold its own for a long period of time. If section 602 means anything, if it has any force or effect, it will lead to the establishment of the kind of reporting service and the kind of investigating service which will mean the requirement of reports and statistics to satisfy every snooper who comes along to get statistics on everybody's business.

My people are extremely apprehensive, not with respect to what section 602 provides on the face of it today, in this measure, but what it may lead to. If it as innocuous as I am sure it is believed by its proponents to be, the service and the information can readily be obtained by the Department of Agriculture without the authority proposed to be written into this farm bill. If it has any force or effect, it may lead to all kinds of reports.

My people would have desired to appear before the committee with regard to this section if they had been given the opportunity. While I am sure that this provision was placed in the bill with perfectly good intent, I must commend the Senator from Pennsylvania for his amendment.

I think section 601 is thoroughly justified. In view of the fact that section 602 was not placed in the bill as the result of hearings, and in view of what it may lead to, I think section 602 could well be deleted without unduly weakening the effect of the bill.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield so that I may ask the Senator from New Hampshire a question?

Mr. MARTIN of Pennsylvania. I yield to the Senator from New Mexico.

Mr. ANDERSON. Section 601 was also placed in the bill without hearings. Would not the Senator like to strike that too?

Mr. COTTON. No.

Mr. ANDERSON. That gives the State something.

Mr. COTTON. If something good is in the bill without hearings, I am for it. But if I am afraid of something in the bill, which has been placed there without hearings, I am against it.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. Mr. President, with regard to the local sentiment with respect to the proposed operation, I think I can say confidently to the Senator from Pennsylvania that my own people in the State of Vermont have become increasingly interested in obtaining a better commercial return from their hardwoods. They have just awakened to the fact that they live in one of the finest hardwood producing regions in the country, and that they have never been accustomed to making a business out of the exploitation of those hardwoods. From conversations and correspondence which I have had, not directly with relation to section 602, but with relation to the problem of getting a substantial return from one great natural resource, I feel safe in saying that the people of our State would be thoroughly in favor of section 602.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. Mr. President, how much time have I?

The PRESIDING OFFICER. The Senator from Louisiana has 20 minutes.

Mr. ELLENDER. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I merely wish to invite the attention of the Senator from New Hampshire [Mr. COTTON] to the fact that under the terms of the bill the Secretary is not only authorized to establish a price reporting service for basic forest products, but he is directed to do so.

The opposition which I have encountered with respect to this section comes from the lumber companies. I have received several letters and telegrams from that source. Some of the largest timber and lumber firms in America have their headquarters or their bases of operations in the State of Minnesota. I regret that they have not shown an interest in this reporting service, but I also say that the small timber farmer, who is an important part of the agricultural economy, is entitled to fair, prompt, accurate, economic information as to his market prices. To-

day he is at the mercy of the purchaser, who will tell him what the price is, without any comparison whatever as to what is going on in other areas or other regions. It is not right.

The only purpose of this section is to bring economic information, on an area and regional basis, to the attention of the timber farmers, so that they can see whether or not they are getting a fair price for their commodity. It is strictly an informational service.

When we look at the basic law of the Department, we find that when the Department was established the first thing the Secretary was directed to do was to supply and disseminate information. In this particular section the single purpose, with the exception of improving the research in respect to the marketing of timber products, which surely is a desirable effect, is to see to it that information relating to quality and price of timber products, and all forms of forest products, is made available to the producers.

While I do not wish to pit one area against another, the commissioner of conservation in our State, and the State Forestry Service, have advised me this week that they are in support of a price-reporting system.

We have 22 million acres of forest land in the State of Minnesota, 11 million acres under State and Federal jurisdiction, and 11 million acres privately owned. That seems to me to be a substantial amount of territory.

If I thought this section would accomplish anything more than the provision of economic information, I would say that it would merit prolonged consideration. But why deny to one group in our economy information which another group receives? We have a Securities and Exchange Commission demanding information with respect to stocks and bonds—information as to price, and all other factors relating to stock certificates. Such information is made available to the public. That is a Government operation.

We have a Bureau of Labor Statistics, furnishing information with regard to labor problems.

We have a Bureau of Agricultural Economics, and a Marketing Service for agriculture. However, strange as it may seem, we have no information on forest products, yet forest products represent one of the great assets in the agricultural economy.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COTTON. If the Secretary is to have the authority, and is to be instructed to obtain this information, how does the Senator understand he is to obtain the information?

Mr. HUMPHREY. The language in subsection (c) is as follows:

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

The Secretary may seek the cooperation of State agencies and private groups, large holders of timber, and conservation groups. He may use such sources of information as he chooses, with respect to any marketing condition.

Mr. COTTON. Which impression does the Senator wish to leave in the RECORD—that the Secretary will require the information, or seek it?

Mr. HUMPHREY. He is authorized to cooperate with State foresters. That is the language of the subsection.

Mr. COTTON. I assure the Senator that I am asking these questions for information, and not to be argumentative.

Does this section contemplate giving the Secretary authority to require from private industries periodic reports, statistics, and information about their business?

Mr. HUMPHREY. Mr. President, the language says:

The Secretary is authorized to cooperate with the State foresters and other appropriate State officials or agencies as well as with private agencies, and under such conditions and terms as he may deem appropriate.

Mr. COTTON. May we understand—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator from Minnesota.

Mr. COTTON. May we understand, and may the RECORD so show, that it is not the intention of Congress in enacting section 602 to give the Secretary of Agriculture or anyone else authority arbitrarily to force private operators to make reports on their business.

Mr. HUMPHREY. I would not want to say that. I do not know whether the Secretary would find it necessary to do so.

Mr. ANDERSON. Mr. President, I believe I can answer that question. Perhaps I can be helpful to the Senator from New Hampshire on that point.

Mr. HUMPHREY. I yield to the the Senator from New Mexico.

Mr. ANDERSON. At the present time the Secretary of Agriculture has a right to gather current information on the markets and the prices of wheat. That does not give the Secretary authority to go to the Pillsbury Mills and say to them, "I want to know exactly how much money you are making every day of the year."

That is not the intention of the provision. It should be remembered that farm forests are becoming extremely important in this country. In great areas of the South efforts have been made recently by hundreds of people to retire some land and put it into slash pine. We are short of newsprint and other types of paper.

I believe it would be very helpful if we could get more information about that. The enactment of the provision would provide current information on markets and prices, and would aid in the more efficient marketing of farm products.

Mr. COTTON. If the section referred to becomes law, is the information, so far as private operations are concerned, to be furnished on a voluntary basis, or is it to be on a compulsory basis?

Mr. HUMPHREY. I am sure it is purely voluntary. It would be a request by the Secretary of Agriculture. He can make the request, but there is no language in the provision which says that he can order anyone to do it. It says he shall cooperate. He is authorized to cooperate, but he cannot demand it.

Mr. MARTIN of Pennsylvania. Mr. President, we are getting some very good information. I should like to comment on subsection (f) which provides:

The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. As I understand, the regulations would pertain to administrative procedures only, and would not compel a mill owner or timberland owner to do this or that.

Mr. HUMPHREY. I should say so. The Senator's explanation is correct. This is ordinary language. It would spell out the responsibility—and that language is always used—in order to authorize the Secretary to issue such regulations as he deems to be appropriate in carrying out the provision of the section. That is the only way in which the Secretary could operate.

Mr. THYE. Mr. President—

Mr. MARTIN of Pennsylvania. Mr. President, I should like to make a little further comment on subsection (f). It has very much to do with the intentions of this section. I wish to read it again:

The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

Would not that language permit the Secretary to force every small timber owner in this country to make a report as to how much acreage he has, how much he has sold during the year, what price he received for it, and so forth? Could not the Secretary of Agriculture issue regulations of that character?

Mr. HUMPHREY. That is not my understanding, because the language in subsection (c) provides that the Secretary is authorized to cooperate, not directed to cooperate.

Mr. ANDERSON. Mr. President, will the Senator yield on that point?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. It is a well-established practice of the Department of Agriculture that unless there is a penalty accompanying regulations for reporting, the Secretary cannot enforce it on anyone. That has been decided about five times. The question has been settled that unless there is a penalty provision attached, the Secretary cannot compel anyone to do it. If a smaller farmer does not wish to answer the inquiry of the Secretary, all he need do is to write back, and say, "It is none of your business."

Mr. MARTIN of Pennsylvania. Mr. President, in answer to that I should like to say that the farmers of Pennsylvania wish to comply with the law. If they get a request from any department of Government they answer it to the best of their ability. I do not want them to have the feeling that there is something being held over them.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Minnesota.

Mr. THYE. Mr. President, I have received quite a number of communications relative to section 602 of the act. I have made reply to them. There has been some apprehension on the part of those engaged in the production of pulpwood and in the harvesting of pulpwood. They have had some concern in connection with this section. I can assure them that their fears are groundless. There is nothing in this section of the act that will make anything mandatory.

I have a message from an association which thought this would be a reestablishment of what was in the old NRA Act. Nothing could be farther from the truth. I merely wish to say that crop reporting cards and livestock reporting cards are sent out through regular channels of mail to producers, and they fill in those cards to show what their livestock is and what they anticipate will be the number of cattle and the number of hogs, and so forth.

That is information which is of value to everyone in the production of agricultural products and in the processing and purchasing of agricultural commodities.

Therefore I would say that the timber price reporting we have provided for in the bill under section 602 will be a service to anyone engaged in forestry or pulpwood-activities. It will be of benefit to the little farmer, who may have a few cords of pulpwood or a few posts or a few telephone poles. He will know about national market trends and about values.

For that reason I wish to say to those who have written to me, if they will read the RECORD, that they need have no fears. I believe it will be a valuable service to them. It will not be mandatory. It will not be a regulation which will compel them to fill out extensive questionnaires periodically.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. ANDERSON. I merely wish to point out to the Senators from Pennsylvania and New Hampshire, who have a perfectly sound reason to question this matter, that the soil-bank provisions, on which we will vote soon in connection with this bill, in section 224 of the bill, provides:

The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this act.

I express the hope that we will not strike that provision from the bill. The Secretary of Agriculture must have the

power to prescribe such regulations. Other agricultural laws contain similar provisions. If we go back to the original Soil Conservation and Domestic Allotment Act of 1938, we find that it authorizes the Secretary of Agriculture to conduct surveys and investigations and research relating to the character of soil erosion and the preventive measures needed. The same provision is carried in other acts. I do not believe the Secretary of Agriculture will say to every farmer in the land, "You give me a detailed description as to exactly how much soil erosion exists on your land, or I will send you to jail."

The Department of Agriculture does not work that way. The Secretary of Agriculture does not work that way. The Department of Agriculture tries to be friendly to the farmers of this country, and tries to help them. The Department was established for the purpose of disseminating information, first to the agricultural colleges, then to the extension agencies, and then on to the actual people who serve the farmers.

I am glad we have had this discussion this evening, because I would not want the Secretary of Agriculture to take any advantage out of this provision and try to destroy what has been going on for years. I do believe that the committee, which considered this subject very carefully and which struck from it the language that we regarded as objectionable, has put the provision into such shape that we can safely adopt it, without doing any damage to anyone.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, basically I share the solicitude of the Senator from Pennsylvania with regard to matters of this kind, but he will note that these functions cannot be exercised until a specific appropriation is made. If the Senator's people wish to come before the subcommittee on agricultural appropriations, while I cannot speak for the chairman, I think I can say that they will receive a very good hearing, and if there are any abuses, the appropriation can be denied.

Mr. ANDERSON. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. ANDERSON. The Senator from Illinois was a member of the Appropriations Committee of the House when I was in the Department of Agriculture, and he recognized the power of the purse, and if there was a function which was going badly, he saw that it was trimmed down. That is what would happen under this provision.

The PRESIDING OFFICER. The Senator from Pennsylvania has 9 minutes remaining.

Mr. COTTON. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. COTTON. I wish to say to the distinguished Senator from New Mexico that after he completed his assurance, all that I was interested in was having

the record clearly show that it was not the purpose of the Congress to impose a compulsory reporting system upon the farmers.

I was a little bit disturbed by the remarks of the Senator from Illinois, because I do not like to have the record indicate that the people have recourse to the Appropriations Committees to stop appropriations before they are safe on this point. If the record clearly shows that nothing in the section is intended to make a compulsory reporting system incumbent upon the operators, I am perfectly satisfied, and I thank the Senator from New Mexico.

Mr. ANDERSON. The purpose of a section of this character is to establish the legislative history, and I think that has been adequately done.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of his time?

Mr. MARTIN of Pennsylvania. Yes, Mr. President.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KERR. Mr. President, on behalf of the junior Senator from Oklahoma and myself, I offer the amendment, which I send to the desk and ask to have stated. It is identified as 3-12-56-A.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma, for himself and his junior colleague, will be stated.

The LEGISLATIVE CLERK. On page 12, line 12, before the period, it is proposed to insert "or in the grazing of livestock."

On page 16, line 24, after the period, insert the following:

The portion of the national conservation reserve goal for any year representing acreage regularly used in the grazing of livestock shall be (1) 4 million animal units less the number of animal units then in the conservation reserve program, or (2) the number of animal units determined by the Secretary to be necessary in order to bring supplies of livestock and livestock products into line with the demand therefor, whichever is lesser. For the purposes of this section, an animal unit shall be the acreage required in a particular area to graze 1 cow on an annual basis and 1 calf through the period prior to weaning.

On page 17, at the end of line 13, add the following:

The portion of the national conservation reserve goal representing acreage regularly used in the grazing of livestock shall be distributed among the various States as nearly as practicable on the basis of the average number of animal units grazed in each such State during the 10 years preceding the year for which such distribution is made.

On page 18, line 9, strike out "\$350 million" and insert "\$425 million."

Mr. KERR. Mr. President, I yield 10 minutes to my colleague from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, this is a relatively simple amendment de-

signed to allow the cattle raisers to set aside as a part of the acreage reserve enough acreage to bring their livestock into line with what the national consumption and demand require. While we provide for admission into the soil bank of any and all groups of agriculture, we completely ignore the producers of livestock. We can take any amount of acreage out of production in order to bring production in line with national needs, and this amendment is designed to allow enough setaside acreage to bring the number of cattle down to approximately 4 million head during the course of 3 years. It is a voluntary setting aside of acreage in order to allow the cattlemen to build up their pastures, build up lands which have been overgrazed or damaged by drought or wind erosion, and at the same time receive a minimum amount of income the same as do the raisers of other types of agricultural commodities.

I should like to read from page 5 of the bill, under the heading "Declaration of Policy":

The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce.

Mr. President, this recognizes the danger of overproduction in every line excepting livestock. Yet, when we consider that livestock products are only about 50 to 60 percent of parity, while the national average of other crops is about 75 percent of parity, we would think that the great Committee on Agriculture and Forestry, when the livestock raisers, who have been in a dire depression since 1950, asked for bread, they would not be handed a stone by means of the farm bill.

There is nothing in the bill which helps the livestock raisers. In fact, we are building up through the bill, unless the Senate adopts the amendment of the senior Senator from Oklahoma and myself, \$25 million worth of potential grasslands in the soil bank, but we do not permit the livestock raiser, who has customarily made his living off grasslands, a chance to rest his land, to fertilize it, and build it up. So it seems to me that in plain, simple justice, someone on the committee would recognize what has been going on in the livestock industry, and instead of helping Wilson, Cudahy, Armour, and Swift, do something effective for the benefit of the producer instead of for the benefit of the processor.

Since 1951 there has been a fall in price of beef animals in the neighborhood of 40 to 60 percent. I do not know

why the cattlemen who make their living in a long 3-year cycle should be the forgotten men in the agricultural picture.

We have offered this amendment to allow them to set aside enough acreage to afford some proper treatment for these producers.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. THYE. How many acres per animal does the Senator have in mind retiring?

Mr. MONRONEY. That would depend altogether on the condition of the average grazing land in the farm or in the community. Out West from 6 to 10 acres are needed to graze an animal. Consequently, to determine the quota to which each State would be entitled would depend on the type of grazing land in the State.

In a lush area, having heavy rainfall and fertile acres, where 1 acre or 2 acres would graze an animal, that amount of land would be the quota. That is why the number of acres taken out of grazing would be commensurate with the reduction which is sought in cattle numbers. Otherwise no good would be done, and there would be a great disparity in the laying out of acreage in the various States.

Mr. THYE. Then, is it the Senator's thought that there would be a certain specific number of acres per animal head in one State as compared with another State?

Mr. MONRONEY. Not only in one State, but on one type of farm as against another, which the county or State PMA group, or whatever the new name is, could readily and accurately figure.

Mr. THYE. Then, on the Government-owned land, such as the national forests or public grazing lands, would the Senator plan to retire some of that land in order to lessen the number of head of cattle which could be grazed on a given area?

Mr. MONRONEY. I certainly would be strongly in favor of resting the overgrazed public lands. I think it is a crime the way the natural grasslands have been permitted to be overgrazed throughout the great western areas.

Mr. THYE. Has the Senator from Oklahoma conducted any survey among the livestock producers to ascertain whether they would approve of such an amendment? No hearing was conducted by the committee on this particular question.

In the travels of the committee, when it held hearings across the Nation, when we were in the western area, where there is a great percentage of female stock or cattle herds, no testimony was taken on this particular question. For that reason, I am wondering whether the Senator considers it wise to endeavor to legislate on such an important question, which involves ranchers and such a vast enterprise as the livestock industry.

Mr. MONRONEY. My colleague knows enough about the cattle industry and has spoken with enough cattlemen to know that they all feel that the number of livestock in this country is too great for the present market.

The cattle raisers have asked for several programs, and every one of them has been denied, including the right of the Secretary of Agriculture to find a way to make purchases in order to support cattle prices to the producer. Instead of supporting the price to the producer, the Secretary is supporting the profit under a \$200 million cattle-buying program which only fattens the processor.

Mr. THYE. I do not wish to trespass on the Senator's time, but I want to reconstruct the general idea of what we are endeavoring to do. I think that under the so-called soil-bank provision of the bill, in which there would be retired from cultivation some of our productive acres, thereby curtailing the production of feed, and thus bringing down the feed supply, certainly by reducing the feed supply we would affect the livestock numbers because there are beginning to be more small beef herds in the eastern part of the United States than in the central part of the country. It is that attitude concerning the vast range area which has brought about the high cattle population.

I am wondering whether we would not accomplish the objective which the Senator when the soil-bank program gets into operation. In that way, we would not disturb our best range livestock, where we expect and desire to have cattle, because that area is suited only for cattle or sheep.

Mr. MONRONEY. The Senator knows that the cattle population comes off the range and is fed into the grain-producing areas.

Mr. THYE. That is correct.

Mr. MONRONEY. The more grazing lands we have and continue to build up, the greater will be the inflow from the range lands to the feed lots in the Senator's State and the eastern States. I think the rather disgraceful corn program and the freedom over controls in most of the noncommercial corn areas will not lead to any curtailment in the cattle numbers.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, I yield 5 additional minutes to the junior Senator from Oklahoma.

Mr. MONRONEY. Let me read what is contained in page 12 of the bill, in the section which provides for the conservation reserve program:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil, water, wildlife, or forest conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

Believe me, a very fine line is being drawn when we see the native buffalo grass or blue stem, or any of the other grasses that support the ranges of the Middle West, being destroyed. Most of them have to be planted several times over in the course of a few years in order to maintain them in fertility and productivity. They will not be eligible for building up fertility in the soil bank.

But such crops as tame hay, and clover are welcomes into the soil bank and may be laid out.

That is being done by paying the cropland farmers and the row-crop farmers money to build up 25 million additional acres of pastureland at Government expense. But at the committee's action it denies to the habitual, traditional cattle raiser, who has had to live off the range, a chance to share in the program on a voluntary basis.

The farmer who has 150 acres in row crops and 40 acres of pasture can have his cropland laid out, and he can be paid by the Government. But he cannot retire a single acre of the 40 acres of pastureland. He still has to raise grass on it and grow cattle.

The bill is so drawn that no matter how it is construed, the cattleman is the fall guy; he is the one who has taken the biggest sock in the jaw in the decline of prices since 1951.

The bill speaks of every type of production except that of the man who must raise the cattle and furnish the meat for our great Nation.

Mr. THYE. My curiosity has been aroused. I do not wish to be argumentative; I am seeking information. Just how would the Senator confine a certain area of the range so that it would not be acreage where the cattle ran loose from one area to another?

Mr. MONRONEY. The Senator knows that if the Government is going to pay money for taking grazing lands out of production, the same as it is going to take out broad acres of 10 or 12 sections of wheat, we can be certain that the law will not be violated and that the producer will not be paid for something that the Government is not getting.

Mr. THYE. When an acre of wheat is taken out of production, that acre will not go wandering around; it will stay put.

Mr. MONRONEY. The cows will graze around on the wheat land. Winter grazing is done on wheat land. A lot of land will be taken out row-crop production and in 3 years turned into pasture and thus added to cattle production under the soil-bank provision. If pastureland is taken out under our amendment, it is taken out under regulations which would provide for adequate enforcement and make it possible for the Government to get what it pays for; that is, the layout of overgrazed land, land which is arid because the cattle have destroyed it.

Mr. THYE. If the Senator was in the Illinois area, where 1 acre of land would furnish grazing for perhaps 1 animal, so much fencing would not be required to close off that 1 acre. But in an area where 20 acres were required to graze 1 animal, the Senator could visualize the number of miles of fencing which would have to be built in order to protect 100 or 200 acres in order to permit the grazing of 10 cows.

Mr. MONRONEY. I am certain the Senator knows enough about the great West and the grazing lands of that region to know that no one out there, where 6 acres are needed to graze 1 animal, is going to lay out 20 acres of

land. He is going to lay out a section or lay out land that could be easily allocated to the layout and protected against grazing.

Mr. THYE. I thank the distinguished Senator for yielding.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes. I desire to ask a few questions of the Senator from Oklahoma. Can the Senator tell us how many acres would be placed in the conservation reserve acreage under the pending amendment?

Mr. MONRONEY. The junior Senator from Oklahoma would estimate that somewhere in the neighborhood of 20 million acres would be placed in the conservation reserve. It would depend on whether the farmers who have lush grazing land, with 1 acre to an animal, would lay out a few acres, or whether farmers that require 10 acres for an animal would lay it out.

Mr. ELLENDER. The proposal would include any kind of pasture land, whether or not cultivated?

Mr. MONRONEY. It would include only land used and grazed in the production of livestock.

Mr. ELLENDER. Who would fence that part of the pasture on which cattle could not graze?

Mr. KERR. Mr. President, will the Senator allow me to answer that question?

Mr. MONRONEY. Yes.

Mr. KERR. The same person who would fence the pasture referred to in lines 9 through 12 on page 12 of the bill. If the Senator will read page 12 of the bill, he will find that there is included in the bill a program to retire from production "acreage of land on the farm regularly used in the production of crops, including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage."

I submit to my good friend that it is not any more of a problem to arrange for taking cattle off blue-stem grass, buffalo grass, or other native grasses than it is to take them off timothy grass, clover, or other cultivated pastures.

Mr. ELLENDER. I wish to say to my good friend that I was informed that in the State of Wyoming it might require as many as 15 acres to feed a cow. Suppose a farmer took advantage of the proposal the Senator is now making. Could the Senator tell us how much it would cost to fence in three or four hundred acres, to which a producer might be entitled under the amendment? I note that a unit basis is provided for, and that unit is defined as the number of acres required to sustain a cow and her calf.

Mr. KERR. But there is nothing in the amendment which would require a cattleman to fence off each unit separately.

Mr. ELLENDER. But he would have to fence it to prevent grazing.

Mr. KERR. Not at all. He would be just as able to enter into a contract with the Agriculture Department to take out a thousand acres or 500 acres. I say to my good friend that in Wyoming, where there are ranches almost as big as the State of the senior Senator from Vermont, they are cross fenced and sepa-

rated by the terrain, and it would be a very simple matter to agree that a certain number of acres represented a certain number of units, and take them out of production by fencing or eliminating—

Mr. ELLENDER. Does the Senator mean to take the units out of grazing?

Mr. KERR. Out of grazing.

Mr. ELLENDER. I dislike to impose on my good friend from Oklahoma, and I realize that the cattle business is in a bad way. I have been hearing complaints for quite some time that one of the reasons why the cattlemen are in a bad way is that a good many of the diverted acres were used to grow feed, which in turn was used to raise more cattle and thereby flood the market.

It is my understanding that under the soil-bank program, it is proposed to put as much as 25 million acres in the conservation reserve, and in the neighborhood of 19 million acres in the acreage reserve.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 more minutes.

Those who would participate in those programs are prohibited from using anything that grows on those acres, in the way of hay or any other crops. Any time a farmer sets aside allotted acres for the purpose of not planting a crop on those acres, he must agree not to harvest any crop from those acres, and he must also agree not to graze them.

The same thing obtains as to the acreage which would be placed in the conservation reserve program. As Senators may know, the conservation reserve program provides that the contract is to be for not less than 3 years, and for as many as 15 years, depending on what conservation use is made of that land. If the land is under grass for the purpose of protecting and conserving and enriching the land, then the contract may be for 3 years, 4 years, or as long as 10 years.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I shall yield in just a moment. On the other hand, if trees are planted, then the period may be for as long as 15 years.

As I understand the purpose of the soil bank, it is to take out of cultivation land now used for the production of surplus crops, by way of the acreage reserve and the conservation reserve. It was never intended to include raw land or pastureland in those categories, because it was felt by reducing total plantings by 44 million acres under the conservation and the acreage reserve programs, that in itself would be of great assistance to the cattle industry.

In addition, as I have stated many times on the floor, there has been placed in the bill a provision authorizing one-quarter of a billion dollars to carry on section 32 purchase programs in order to assist the cattle raisers, the hog raisers, and other farmers. The committee felt that was the best and most realistic approach for assisting the cattle people.

Mr. President, I ask unanymous consent to place in the Record at this point a statement on the amendment.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would—

1. Require the inclusion of grazing lands in the conservation reserve to the extent of 4 million animal units or such smaller number as may be necessary to bring supply in line with demand;

2. Require apportionment of the grazing lands so included among the States as nearly as practicable on the basis of a 10-year average of the number of animal units grazed; and

3. Increase the amount authorized annually for the conservation reserve to \$425 million (from \$350 million).

Mr. MONRONEY. Mr. President, I realize how much the distinguished chairman of the committee has tried to help the livestock raisers, but has he thought that he is making the condition of the livestock raiser even more impossible as he takes away from him the present supply of feed he has had available? Consequently, he finds himself caught under this bill in the squeeze between low prices for his livestock and higher prices for his feed. This process has been going on to a degree for a long time.

In addition to the livestock raiser being placed in the untenable position of getting lower prices for his livestock, and making the feed for his animals more expensive, he finds a new type of competition from the row-crop planter in connection with the requirement of a 3-year contract on a pasture-building basis. Do not think that, once the row-crop farmer gets a nice pasture built up at Government expense, the pasture will not carry the animals that were literally frozen off the ranges of the livestock producer who was caught in the squeeze that has been created.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 2 more minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 more minutes.

Mr. ELLENDER. Mr. President, the amendment of the Senator from Oklahoma may harm rather than help the cattle situation by taking thousands of acres out of grazing, and thus reducing the feed supply, just as has been referred to earlier in regard to reducing feed grain acreage.

Mr. MONRONEY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. MONRONEY. It is on the pasture lands and the grazing lands of the Nation that the feeder animals originate. If the farmer who raises them can be assured of a minimum amount of income from his grass lands, he will not have to be producing as many feeder cows that will find their way into the feed lots in the Middle West.

Mr. ELLENDER. Would the program that is advocated by my good friends reduce the cattle population?

Mr. MONRONEY. It certainly will; and that will be a more humane way to do it, instead of starving them out. We should not treat in that way those who produce feeder cows, while giving a favored treatment to their competitors, the row-crop growers.

Mr. ELLENDER. Mr. President, I do not understand that the amendment would operate in that manner.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield 2 minutes to me?

Mr. ELLENDER. I yield 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. AIKEN. Mr. President, it seems to me that this amendment would be good for the big rancher, but not very good for the thousands and thousands of small farmers who happen to own 100 acres of land or 50 acres of tillage land, and then graze their animals on the public domain or in the national forests—as the Senator from Louisiana has seen done in all the Western States. Those farmers would not be able to share in the benefits provided by this amendment. They would have no land to turn into the conservation reserve. The only ones who would benefit from this amendment would be those rich enough to own hundreds or thousands of acres of their own. They are the ones who would benefit most from this amendment.

Suppose a farmer did undertake to cut his acreage of rangeland. Perhaps he would be fortunate enough to own 300 or 400 acres. The first result of the amendment would likely be the overgrazing of the land that he had left.

Furthermore, would the Government proceed to hire thousands of riders to ride the range and see that the animals did not get over the fence? We have seen hundreds of miles of fencing in the western areas on our committee trips. We know what a job it would be to patrol thousands of square miles of that land.

Furthermore, would those ranchers dispose of 4 million head of cattle at \$18 a piece, as the Senator from Louisiana has stated? The amount of \$75 million provided for this purpose appears too small.

Mr. President, the thing that bothers me most about the amendment is that it is a rich man's amendment.

Mr. MONRONEY. Mr. President, will the Senator from Louisiana yield 1 minute to me?

Mr. ELLENDER. I yield 1 minute to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 minute.

Mr. MONRONEY. In the first place, the Senator should know from reading the amendment that it calls for pro-rata by States, and that the administration would be handled by the county committees. They would write the plan and the program and the regulations.

In the second place, I should like to say that those who will police the pro-

gram would probably be the same ones who will be policing the 25 million acres and the additional 19 million acres of soil bank acres that are already provided for in the bill—to find out whether that land is grazed or used for production of any type.

Will the distinguished chairman of the committee tell us what kind of Sherlock Holmes he intends to employ to protect the 25 million acres and 19 million acres that he says cannot be grazed, or otherwise used for any productive purpose.

Mr. AIKEN. Mr. President, the Senator from Oklahoma can talk all night; but this is a big ranchers' and millionaires' amendment, and the Senator from Oklahoma cannot get away from that.

Mr. ELLENDER. Mr. President, how much time remains available to me?

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining.

Mr. ELLENDER. I yield that minute to the Senator from North Dakota [Mr. LANGER].

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 1 minute.

Mr. LANGER. Mr. President, the North Dakota Stockmen's Association—and, by the way, it is one of the best of all the stockmen's associations in the United States, and perhaps the very best—is made up of thousands of small farmers and ranchers. They are vitally concerned with the success of the soil-bank program. Immediately after its adoption by the Senate, the other evening, the officers of the association telegraphed to me that they were almost unanimously in favor of it. They were gravely concerned that attempts would be made to graze cattle and sheep upon these reserved acres. They asked me to do everything possible to prevent that from happening.

Mr. President, I am satisfied that the pending amendment will be detrimental not only to these small farmers and ranchers in North Dakota, but also to the small farmers and ranchers all over the United States.

Therefore, I shall vote against the amendment.

Mr. President, I submit that we should vote for the provision as prepared by the committee.

Mr. ELLENDER. I agree with the Senator.

Mr. ALLOTT. Mr. President—

Mr. ELLENDER. Mr. President, I yield at this time to the Senator from Colorado. First, let me ask how much time I have remaining.

The PRESIDING OFFICER. The Senator from Louisiana has 15 minutes remaining.

Mr. ELLENDER. I yield 1 minute to the Senator from Colorado [Mr. ALLOTT].

The PRESIDING OFFICER. The Senator from Colorado is recognized for 1 minute.

Mr. ALLOTT. Mr. President, I dislike to raise in opposition to the amendment proposed by my distinguished friends, the Senators from Oklahoma. In many ways, the agriculture of Oklahoma resembles that of my own State.

But I desire to call the attention of the Senate to 2 or 3 or possibly 4 points which affect this matter very greatly.

First of all, the amendment as submitted here creates impossible administrative problems. Anyone who knows cattle, and anyone who knows the western country at all, knows that the language on page 2 of the amendment, that "for the purposes of this section, an animal unit shall be the acreage required in a particular area to graze one cow on an annual basis and one calf through the period prior to weaning," can be construed only in one way, namely, that there would almost have to be an individual determination for every cow, and at least for every piece of grass and every piece of land, to determine whether that was a unit. In the West, in my friends' country, which adjoins my own State, in my own State, and in the other parts of the West with which I am familiar, that area may differ so much within a distance of 2 miles, that although in one place it might be possible to graze a cow on 160 acres, in another place it might be possible to graze a cow on 10 acres. So the amendment is almost impossible of administration, because it would require the making of an individual determination in the case of each, individual, separate parcel of land, depending on the quality of the soil and the quality of the grass and the quality of the forage and the type of cattle being grazed at a particular time.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, will the Senator from Louisiana yield 1 more minute to me?

Mr. ELLENDER. I yield 1 more minute to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 1 more minute.

Mr. ALLOTT. Those who feed their cattle, the heavy feeders, are the ones who are hoping to get help, and who need it at this time.

Furthermore, I do not believe that the position taken by the Senator from Oklahoma is the position of the National Cattlemen's Association. Certainly it is not that of the Colorado Cattlemen's Association as it appears from my correspondence.

Furthermore, the soil-bank provisions of the Barrett amendment will strengthen the enforcement of the act and stop the abuses and will stop the building up of cattle, such as the Senator has suggested. There will not be 25 million acres in competition, because under the Barrett amendment, this acreage will come out and will tend to reduce the cattle population.

I am sorry that I do not have time yielded to enable me to discuss the amendment further.

I desire to thank my friend, the Senator from Louisiana, for yielding this time to me.

Mr. ELLENDER. Mr. President, I yield 3 minutes to my friend, the distinguished Senator from New Mexico [Mr. ANDERSON].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 3 minutes.

Mr. ANDERSON. In the first place, Mr. President, I wonder how the second part of the amendment would work out; I refer to the provision that "the portion of the national conservation reserve goal representing acreage regularly used in the grazing of livestock shall be distributed among the various States,"—and so forth.

The State of Nevada is 87 percent Government-owned. When these acres are retired, who will receive the payments? Will it not be the cattleman who at one time was using that land, and then would be shoved off of it? If he had a lease, the lease would simply be canceled.

That may be why the Senator from Colorado is correct in reporting the position taken by the livestock association in his State, in the case of an amendment of this nature. The livestock association in my State is not in favor of it. There may be someone who is in favor of the amendment, but I do not know who that would be.

Mr. President, I hold in my hand the Livestock and Meat Situation, a pamphlet issued by the Agricultural Marketing Service of the Department of Agriculture; this is the issue for March 2, 1956. I read from it, under the heading "Outlook":

Total cattle numbers are now 27 percent above 1949. Cow numbers are up 23 percent, as milk cows have decreased 2 percent, but beef cows have increased 62 percent.

If anyone wishes to know why that has happened, he has only to examine the income-tax provision which permits a beef cow, once she has gone into the breeding herd, to be sold on the capital-gains basis.

If we wish to reduce cattle numbers, all we have to do is to repeal that amendment. I am happy to say that it was introduced with good intentions. We all thought it would work very well. But in very recent times representatives of the Cattle Feeders' Association came to my office and said that they had decided they wanted to get rid of that amendment, because it was building up cattle numbers to the point where they could not stand it.

I do not think this amendment is the answer.

Wheat acreage will be down if the soil bank works. If the Great Plains program works, wheat areas there will be reduced again. Where, then, are the cattlemen going to look for pasture, if their own pasture is to be reduced?

The Senator from Colorado [Mr. ALLOTT] put his finger on the point. He asked, "How is it to be administered?" How is one to go into a 100,000-acre ranch and pick out the particular acres which are to be rested for a year, 2 years, or 3 years? How is the acreage to be patrolled? The acres must be out of cultivation for 3 years.

I do not think this is a good amendment. I know that it would not reduce cattle numbers. I hope it will not be adopted.

Mr. BARRETT. Mr. President, will the Senator from Louisiana yield to me for 3 minutes?

Mr. ELLENDER. I yield 3 minutes to the Senator from Wyoming.

Mr. BARRETT. It seems to me that this amendment would be extremely difficult, if not impossible, of administration. I do not know just how anyone in the cattle business, particularly, could adapt his operations so as to conform to the requirements of such a provision.

I have talked to a number of representatives of livestock organizations, and I have yet to find one who believes that this plan is workable in any way.

In the first instance, if a man has even three or four hundred head of cattle, he certainly will have to make some arrangement to hold those cattle and carry on his operations until he can dispose of them. At the present time we have the highest cattle population in the history of America. As a matter of fact, we have 97½ million head of cattle. The cattle numbers have gone up nearly 10 million head in the past 4 years. We hardly have pasturage enough to take care of this large number of cattle. Certainly at the prices which are available at the present time, very few people would want to dispose of their cattle and cut down their herds. In the meantime, they certainly could not very well take any of their lands out of use and put them into the conservation acreage.

It seems to me that this amendment should call for long and detailed hearings before the committee. I am sure that if the committee were to hold hearings and listen to witnesses, it would not recommend legislation of this type.

I hope the Senate will not agree to the pending amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. Mr. President, I yield myself 5 minutes.

We may not get any relief by reason of having this amendment adopted. It may be that we would obtain very little relief from the adoption of any amendment to the bill. But this effort has not been fruitless. After having spent 50 years or more of my life in Oklahoma, much of it on its farms and cattle ranches, in the ignorant condition in which that leaves a man, it is a great privilege to come to the United States Senate and hear the Senator from Vermont give complete encyclopedic knowledge, facts, and statistics on any given subject relating to agriculture. So if we never have an amendment adopted, our efforts will not have been in vain, because, thanks to God, who reigns in heaven, throughout the rest of my life I shall be fortified with knowledge, facts, and information coming from the fount of all wisdom with reference to agriculture.

The distinguished Senator from Vermont jumped up and down 4 or 5 times and said, "This is a millionaire's amendment." He personally ramrodded down the throats of Senators yesterday an amendment to the soil bank provision which limits the amount any man may

receive under it to \$25,000 a year. So the most any one man, or any one party could receive under those provisions, as payments for the retirement of acreage in the conservation reserve program, would be \$25,000 a year.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ELLENDER. With all due respect, the Senator is in error. The \$25,000 applies to payments under the acreage reserve. The \$7,500 limitation is applicable to the conservation reserve.

Mr. KERR. Then the "millionaires' amendment" would permit a maximum of \$7,500.

Mr. ELLENDER. That is correct.

Mr. KERR. I thank my good friend from Louisiana. I wish to thank him for the great effort he has made in connection with the pending bill. My highest hope would be that the bill could leave the Senate in as good condition as it was when he brought it to the Senate.

For the benefit of those who say that this amendment might be good, but would be impossible of administration, I read from section 207 (a) (1), under subtitle (b), as follows:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil, water, wildlife, or forest conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

It is difficult for me to conceive that it would be any harder to administer a program as applied to native grasses, which are oftentimes just as productive, and oftentimes of such quality that a few acres will support a cow—as is the case with tame hay or clovers—than it would be to operate under the provisions brought to the floor of the Senate in this bill with reference to crops of tame hay and clovers, which do not require annual tillage.

Certainly there would be difficulties in administration. I shudder to think what would happen to any program in the hands of the administrator who must administer it for the rest of this year, if he lives. However, I do not think it would be any more difficult to administer the law with this amendment in it than it would be to administer the law with the other provisions which are in the bill.

The distinguished Senator from Vermont stated that this amendment would not help the small farmer a bit. I challenge him to show a single provision in the bill, as it now stands, that would put a dollar into the pocket of the average small farmer in the United States this year.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. I yield myself an additional 5 minutes.

The provisions which had been in the bill and which would have been of benefit to the small farmer, have been ripped out of it under the leadership of the Black Knight from Vermont. He has

led his battalions of gladiators up and down and across the floor of the Senate and has torn the very guts out of the bill so far as its being worth a copper penny to the average small farmer is concerned. Then he gets up and sheds his crocodile tears, and says the amendment is no good and that it would not help the small farmer. Mr. President, he is allergic to benefiting the small farmer. If it helped the small farmer he would be against it, not for it. He has the most unbroken record of anyone in the Senate in that regard. If the bill is passed as now written it ought to be known as the Aiken bill No. 2. We had an Aiken bill back in late 1940. The average small farmer thought it was just named for the man who wrote it, until he had to live under it. [Laughter.]

Mr. President, we have offered amendments to support the price of cattle. The administration says they cannot be administered. The administration says it is impossible to control the production of cattle. They say the amendments must not be adopted because we do not have enough storage facilities to take care of the products we buy under the support program.

Well, Mr. President, after having been beaten on those amendments, we come now with an amendment to give the cattle producers the same opportunity under the bill that the other farmers have under it. The administration says it cannot be administered. I want to say that if Ezra Taft Benson has the kind of intellect and knowledge and wisdom that he is portrayed on this floor as having, he can administer the amendment and at the same time hold up one foot. [Laughter.]

Mr. President, they do not want to administer the amendment. They do not want any amendment, either for the small farmer or for the producer of cattle. I remind the Senate that this is the largest segment of the agricultural industry in this Nation. Cattle are selling at less than 60 percent of parity; nevertheless, the administration has steadfastly refused to accept any amendment from anyone which would benefit the cattle producer. Every other crop under the specifications of this bill is selling at a higher percentage of parity today than are cattle. Of course it would be hard to administer. What is not hard to administer?

The bill is calculated to benefit the American farmer. So far the small farmer—the cotton farmer and the cattle producer—has been excluded from it. The amendment would merely put the cattle producer in the same position under the law as will be the position of the operators of the 25 million acres that are proposed to be taken out of production and put into the soil bank.

We submit that in the name of justice and fairness and equity the amendment should be adopted for the benefit of the cattle producers.

Mr. ELLENDER. Mr. President, does the Senator from Oklahoma yield back the remainder of his time?

Mr. KERR. Does the Senator do so?

Mr. ELLENDER. Yes.

Mr. KERR. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time for debate has been yielded back. All time has expired.

Mr. KERR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McClellan
Allott	Fulbright	McNamara
Anderson	George	Monroney
Barkley	Goldwater	Morse
Barrett	Green	Mundt
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	Pastore
Bible	Hill	Payne
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Bush	Humphrey	Robertson
Butler	Ives	Russell
Capehart	Jackson	Saltonstall
Carlson	Jenner	Schoeppel
Case, N. J.	Johnson, Tex.	Scott
Case, S. Dak.	Johnston, S. C.	Smathers
Chavez	Kennedy	Smith, Maine
Clements	Kerr	Smith, N. J.
Cotton	Knowland	Sparkman
Curtis	Kuchel	Stennis
Dirksen	Laird	Symington
Douglas	Langer	Thurmond
Duff	Lehman	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Welker
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] for himself and his colleague [Mr. MONRONEY], which the clerk will state.

The legislative clerk read the amendment, as follows:

On page 12, line 12, before the period insert: "or in the grazing of livestock."

On page 16, line 24, after the period, insert the following: "The portion of the national conservation reserve goal for any year representing acreage regularly used in the grazing of livestock shall be (1) four million animal units less the number of animal units then in the conservation reserve program, or (2) the number of animal units determined by the Secretary to be necessary in order to bring supplies of livestock and livestock products into line with the demand therefor, whichever is lesser. For the purposes of this section, an animal unit shall be the acreage required in a particular area to graze one cow on an annual basis and one calf through the period prior to weaning."

On page 17, at the end of line 13, add the following: "The portion of the national conservation reserve goal representing acreage regularly used in the grazing of livestock shall be distributed among the various States as nearly as practicable on the basis of the average number of animal units grazed in each such State during the ten years preceding the year for which such distribution is made."

On page 18, line 9, strike out "\$350,000,000" and insert "\$425,000,000."

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senator from Tennessee [Mr. GORE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Texas [Mr. DANIEL] is paired with the Senator from Colorado [Mr. MILLIKIN]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Colorado would vote "nay."

I further announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], and the Senator from Montana [Mr. MURRAY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

On this vote the Senator from Colorado [Mr. MILLIKIN] is paired with the Senator from Texas [Mr. DANIEL]. If present and voting, the Senator from Colorado would vote "nay" and the Senator from Texas would vote "yea."

The result was announced—yeas 24, nays 63, as follows:

YEAS—24

Case, S. Dak.	Johnson, Tex.	Morse
Chavez	Johnston, S. C.	Neely
Douglas	Kerr	Neuberger
Fulbright	Laird	Scott
Hennings	Lehman	Smathers
Hill	Mansfield	Sparkman
Humphrey	McNamara	Symington
Jackson	Monroney	Thurmond

NAYS—63

Aiken	Dworshak	Martin, Pa.
Allott	Eastland	McCarthy
Anderson	Ellender	McClellan
Barkley	Ervin	Mundt
Barrett	Flanders	Pastore
Beall	Frear	Payne
Bender	George	Potter
Bennett	Goldwater	Purtell
Bible	Green	Robertson
Bricker	Hayden	Russell
Bridges	Hickenlooper	Saltonstall
Bush	Holland	Schoeppel
Butler	Hruska	Smith, Maine
Capehart	Ives	Smith, N. J.
Carlson	Jenner	Stennis
Case, N. J.	Kennedy	Thye
Clements	Knowland	Watkins
Cotton	Kuchel	Welker
Curtis	Langer	Wiley
Dirksen	Malone	Williams
Duff	Martin, Iowa	Young

NOT VOTING—9

Byrd	Kefauver	Millikin
Daniel	Long	Murray
Gore	Magnuson	O'Mahoney

So the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I call up the amendment designated "2-29-56-A," offered on behalf of myself and the junior Senator from Oregon [Mr. NEUBERGER], the senior Senator from Washington [Mr. MAGNUSON], and the senior Senator from Montana [Mr. MURRAY], and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon for himself and on behalf of other Senators.

The CHIEF CLERK. On page 29, beginning with line 17, it is proposed to strike

out over through line 17 on page 30, as follows:

STATE CONTRIBUTION TO COST OF COMMODITIES FURNISHED TO DISASTER AREAS

SEC. 309. Notwithstanding any other provision of law, no feed for livestock or seed for planting shall be furnished, after March 1, 1957, to farmers, ranchers, or stockmen pursuant to the act entitled "an act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950 (64 Stat. 1109; 42 U. S. C. 1855 and the following); section 2 of the act entitled "an act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes," approved April 6, 1949, as amended (12 U. S. C. 1148); the provision under the heading "Disaster Loan Revolving Fund," Third Supplemental Appropriation Act, 1954 (68 Stat. 88); the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454; 7 U. S. C. 1691 and the following), or pursuant to any other law as a disaster relief measure, unless, in addition to such administrative costs as may be assumed by the State, the State in which such feed or seed is furnished agrees to contribute an amount not less than 15 percent of the cost, including transportation, of such feed or seed which is not paid for by the recipients thereof.

Mr. MORSE. Mr. President, I shall repeat in support of the amendment the very brief statement I made during my speech on the farm bill on March 7. I yield myself 5 minutes.

One section of the Senate farm bill that impresses me as being very unfair toward the States, such as my own State of Oregon, is section 309 of the present bill. If this section were to become law, it would require Oregon, beginning in March 1957, to contribute 15 percent of the cost of disaster feed and seed supplied by the Government to hard-pressed farmers.

At the present time the Federal Government is providing such feed and seed without the necessity for State contributions to the cost of the program.

It seems to me that if there is any occasion upon which a State should not be required to contribute to a Federal disaster relief program, it is when the State is in the throes of battling a disaster. When a disaster hits, the State has enormous problems and extremely heavy demands upon their treasuries, and this 15-percent contribution requirement would simply be an added burden.

Mr. President, let me make perfectly clear for the RECORD that I am not at all in favor of a State contribution program, because our States, on a State basis, spend a great amount of money for flood disaster relief on behalf of people who suffer from such disasters. I believe the Federal Government has a great responsibility in connection with these disasters, but I do not believe that we can work out a program of State contributions that is fair. It is certainly not fair to Connecticut and to the other States in the northeastern part of the country, who have suffered great disaster losses in recent months. It is not fair to my State, which also has suffered great losses from floods. Neither is it fair, I might add, to California. I believe the Federal contribution ought to

be on a national basis, without the requirement of a contribution from the States.

Section 309 further complicates the issue because we have no assurance that the affected States will have funds on hand to contribute a 15-percent share of the cost of emergency feed and seed grants. Furthermore, since most State legislatures meet every 2 years for relatively short periods, a State not having emergency funds on hand would have to await the next meeting of the legislature or, if necessary, might have to call a special session to provide the requisite 15-percent contribution. This would be procedurally prohibitive and in many cases economically inadvisable, because a special session of the legislature might well cost more than the contribution the Federal Government might make to the feed and seed program within the State.

Therefore, I am opposed to section 309, and with the cosponsorship of Senator NEUBERGER, MAGNUSON, and MURRAY, I have offered the amendment to strike this section so as to relieve the States of an additional disaster burden.

Let me say in closing that we are not dealing with a very large matter, but I think we are dealing with a matter which involves the application of a great humanitarian principle. I do not care what State may be affected; it may be any 1 of the 48.

When a disaster hits a State, it is to be expected that Uncle Sam will try to come to the relief of the people to the extent there is Federal responsibility in the matter. He is a Dutch uncle; he is not an uncle, in my judgment, who ought to take the position that the Federal Government will extract from the disaster-stricken State itself a 15 percent contribution for feed and seed which is going to the farmers, or should go to the farmers, who have been flooded out in such States, or who, as the result of hurricane or some other great act of God, have suffered a disaster which requires the sending of feed and seed into the State.

If what is being proposed were something that involved a great sum of money, then there might be something that could be said in favor of asking for some kind of contribution, in that it would cover a long period of time. I think this is a case where we can strike that provision from the bill and help take Uncle Sam from the position of being a Dutch uncle in such disasters. But, from the standpoint of dollars and cents, if it should be necessary to call special sessions of the State legislatures to provide funds, the calling of the legislatures might cost more than the value of the feed and seed that would be sent into the States.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes in opposition to the amendment. The provision in the bill simply provides that if disaster relief in the nature of feed and seed is furnished in a State, that State must contribute at least 15 percent of the cost. Senators will recall that this matter has been at issue in the Senate for quite some time. As a matter of fact, there are quite a few States which now contribute

to the cost of feed and seed in relief programs.

The distinguished Senator from Delaware offered this proposal. As I recall, the Senator proposed that 25 or 39 percent of the cost be paid by the States. The committee prevailed upon him to reduce the amount he proposed originally. He agreed to reduce the requirement to 15 percent, which the committee thought was reasonable. Thereafter, the 15 percent provision was incorporated into the bill.

I ask unanimous consent to have printed at this point in the RECORD an explanation of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This amendment would strike out section 309 of the bill which requires a 15-percent State contribution to the cost of feed and seed furnished as disaster relief.

Section 309 was included in the bill for two purposes, first to provide for financial contribution by the State, and second, through the requirement for local contribution, to generate local pressure to discourage unreasonable claims and demands for relief. The following information is contained in the committee report on the bill:

"SECTION 309. STATE CONTRIBUTION IN DISASTER RELIEF

"Section 309 of the bill provides that after March 1, 1957, the States must contribute at least 15 percent of the cost of feed or seed made available for disaster relief.

"During the fiscal year 1955 there were two programs of this nature in effect. Under the 1955 emergency feed program, eligible farmers received purchase orders enabling them to buy from established dealers at reduced prices, certain designated surplus feed grains, such as barley, corn, wheat, grain sorghums and oats, or approved mixed feed containing a high percentage of the surplus feed grains. Dealers received a certificate representing the value of the reduction in the price of the feed and used it to buy replacement stocks which eventually came from CCC inventories. The cost of this program to the Government during the fiscal year 1955, represented by the value of CCC inventories released in satisfaction of dealers' certificates was approximately \$61,200,000. Had the States been required to contribute 15 percent of the cost of this program during the fiscal year 1955 their contribution would have amounted to \$9,180,000. The emergency feed program was operative as of January 31, 1956, in Colorado, Kansas, Nevada, North Carolina, Oregon, Texas, Utah, and Wyoming.

"A second program conducted during the fiscal year involved the execution of agreements with States to assist them in furnishing hay to eligible farmers. Under these agreements the Department contributed a definite sum to the State to defray one-half the cost of transportation of the hay (not to exceed \$10 per ton). The total of such contributions during the fiscal year 1955 was \$4,684,839. Since the States assumed at least half of the transportation costs for hay, as well as the costs incident to the purchase and distribution of such hay, they would not have to make any additional contributions in a program such as this. North Carolina is the only State with which the Department has a hay agreement at the present time."

Mr. ELLENDER. Mr. President, I now yield 5 minutes to the distinguished Senator from Delaware.

Mr. WILLIAMS. Mr. President, on several previous occasions it has been

recommended that there be some form of State contributions in such relief program. The 15-percent contribution is very reasonable, and certainly will not penalize any State. The main purpose of the provision is not aimed at the amount of revenue involved. It is not a question of whether or not the Government should furnish relief. Last year the Federal Government contributed \$68 million under this relief program. The effective date of this 15-percent formula was made on March 1 of next year, in order to give State legislatures, an opportunity to enact enabling legislation.

It was felt by the committee and the administration that if some form of State contribution were required, it would at least reduce claims, as they came in from the various areas, to bona fide claims. I have voted, and shall continue to vote, for relief funds for drought or other emergencies. I think the Government should provide funds for such disasters. However, at least a token contribution should be provided at the State level. We will then have those requests sifted down to bona fide claims.

Several complaints have been received that this program has been misused.

With State contributions there would be a greater opportunity at the local level, in administering the program, to see that the relief went where it was needed. If the States knew they were paying a portion of the cost they would see that the programs were administered properly. I think the amendment offered by the Senator from Oregon should be rejected and the provision should be retained in the bill.

I sponsored this section when it was added to the bill and consider it an essential part of the program. We hear a lot from the Senator from Oregon about the Morse formula for State contributions, and I am surprised to see him trying to abandon that principle here.

Mr. MORSE. Mr. President, I yield myself 2 minutes.

In each of the disaster cases the States spend millions of dollars from State funds, but when it comes to the matter of providing seed and feed to disaster-stricken areas, for the most part we would be taking the seed and feed out of surpluses.

I think the hearts of the people of America on most occasions are hearts that say very clearly, we ought to make this donation out of surpluses to people stricken in disaster areas.

If we have reached the point where we cannot help people in disaster areas and not relieve them of the suspicion that they are going to make false claims for commodities out of the surplus bins of our country, I think we are taking an absurd position.

I do not think we should go on record as insisting that we collect a pound of flesh out of people who have suffered a disaster by saying to them, "We are not going to ship you feed and seed unless your States enact legislation to contribute 15 percent of the cost of the feed and seed."

Mr. ERVIN. Mr. President, will the Senator yield me 2 minutes?

Mr. MORSE. I yield 2 minutes to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I rise in support of the amendment. We have had a great many disasters in North Carolina, especially from hurricanes. When a disaster strikes, a State usually has to spend many times the amount it receives from the Federal Government to repair highways and make other repairs.

It seems to me that the amendment is a just one, and that we ought not to impose upon the States an additional burden to that which has been imposed on them for other forms of relief. This kind of relief requires comparatively small expenditures as compared with expenditures which States so often have to make.

I think the amendment is a meritorious one, and ought to be agreed to.

Mr. MORSE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I ask for 1 minute. Then I shall be prepared to yield back the remaining time.

Mr. ELLENDER. I yield 1 minute to the Senator from Delaware.

Mr. WILLIAMS. I wished to add one thought to what I have said. We hear a great deal on the floor of the Senate about States rights. If we are to have States rights, the States must also accept their responsibilities. There is not a single one of the 48 States that is not in better financial condition than is the Federal Government. Certainly, asking the States to contribute 15 percent toward the cost of relief programs is not an unreasonable request. It would not affect the relief which the people would receive.

I urge the rejection of the Morse amendment and the retention of the section in the bill which provides for 15 percent State contribution on these relief requests.

Mr. MORSE. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Eastland	Laird
Allott	Ellender	Langer
Anderson	Ervin	Lehman
Barkley	Flanders	Magnuson
Barrett	Frear	Malone
Beall	Fulbright	Mansfield
Bender	George	Martin, Iowa
Bennett	Goldwater	Martin, Pa.
Bible	Green	McCarthy
Bricker	Hayden	McClellan
Bridges	Hennings	McNamara
Bush	Hickenlooper	Monroney
Butler	Hill	Morse
Capehart	Holland	Mundt
Carlson	Hruska	Neely
Case, N. J.	Humphrey	Neuberger
Case, S. Dak.	Ives	Pastore
Chavez	Jackson	Payne
Clements	Jenner	Potter
Cotton	Johnson, Tex.	Purtell
Curtis	Johnston, S. C.	Russell
Dirksen	Kennedy	Saltonstall
Douglas	Kerr	Schoeppel
Duff	Knowland	Scott
Dworshak	Kuchel	Smathers

Smith, Maine
Smith, N. J.
Sparkman
Stennis

Symington
Thurmond
Thye
Watkins

Welker
Wiley
Williams
Young

Mansfield
McClellan
McNamara
Monroney
Morse

Neely
Neuberger
Pastore
Scott
Smathers

Sparkman
Stennis
Symington
Thurmond
Young

The PRESIDING OFFICER (Mr. McNAMARA in the chair). A quorum is present.

On the pending question, the yeas and nays have been ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Will the Chair identify the pending amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE], to strike out certain language on page 29 of the bill.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL (when his name was called). On this vote I have a pair with the Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

Mr. ELLENDER (when his name was called). On this vote I have a pair with the Senator from Wyoming [Mr. O'MAHONEY]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I further announce that the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], and the Senator from Virginia [Mr. ROBERTSON], if present and voting, would each vote "yea."

On this vote the Senator from Texas [Mr. DANIEL] is paired with the Senator from Colorado [Mr. MILLIKIN]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Colorado would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

On this vote the Senator from Colorado [Mr. MILLIKIN] is paired with the Senator from Texas [Mr. DANIEL]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Texas would vote "yea."

The result was announced—yeas 42, nays 43, as follows:

YEAS—42

Anderson	Fulbright	Johnson, Tex.
Barkley	George	Johnston, S. C.
Bible	Green	Kennedy
Chavez	Hayden	Kerr
Clements	Hennings	Kuchel
Douglas	Hill	Laird
Eastland	Holland	Langer
Ervin	Humphrey	Lehman
Frear	Jackson	Magnuson

NAYS—43

Aiken	Curtis	Mundt
Allott	Dirksen	Payne
Barrett	Duff	Potter
Beall	Dworshak	Purtell
Bender	Flanders	Saltonstall
Bennett	Goldwater	Schoeppel
Bricker	Hickenlooper	Smith, Maine
Bridges	Hruska	Smith, N. J.
Bush	Ives	Thye
Butler	Jenner	Watkins
Capehart	Knowland	Welker
Carlson	Malone	Wiley
Case, N. J.	Martin, Iowa	Williams
Case, S. Dak.	Martin, Pa.	
Cotton	McCarthy	

NOT VOTING—11

Byrd	Kefauver	O'Mahoney
Daniel	Long	Robertson
Ellender	Millikin	Russell
Gore	Murray	

So Mr. MORSE's amendment was rejected.

Mr. ALLOTT. Mr. President, I desire to call up my amendment 3-9-56-F.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 18, line 9, it is proposed to strike out "\$350,000,000" and insert in lieu thereof "\$750,000,000."

Mr. ALLOTT. Mr. President, I modify my amendment in line 2 by striking out "\$750,000,000" and inserting in lieu thereof "\$450,000,000."

At this time I realize that the bill has been discussed in so many ways and so many times that it is very difficult to add anything that has not been said about it by someone. I wish to go back to the original theory of the soil bank, and to discuss it very briefly. I hope we may have a decision on it very quickly. The original bill contains 2 provisions for a soil bank; 1 is called the acreage reserve and the other is called the conservation reserve. The acreage reserve refers to the so-called basic commodities, originally wheat, cotton, corn, rice, and tobacco, to which have been added other commodities. A fund of \$750 million is provided to finance that reserve. I readily admit that that is probably where the most money is needed.

However, it has been said on the floor and in the reports of committees that only 23 percent of the farm income is affected by the basic commodities. If that is true—and I am sure it is—then the great number of farmers and the great amount of production in this country are not affected by the acreage reserve.

It is not so much the amount that I wish to see in the conservation reserve as the fact that I feel there should be more nearly an equalization of the amounts.

In analyzing the amounts that would be available, and in analyzing the data from the Department of Agriculture, it appears to me—at least with reference to the situation in my State—that the amount available for conservation reserve, would be less than enough to pay taxes and water assessments on the land. In Colorado, the great proportion of farmers would be eligible only for the conservation reserve program.

Therefore it seems to me that if we are to provide an incentive to take acres out of production and put them into the conservation reserve, we must exceed the estimate of the Department of Agriculture, which estimated 25 million acres at \$10 an acre. It seems to me we must increase that number if we expect to take acreages into the conservation reserve and out of production.

Therefore, it is with that in mind that I feel there should be greater emphasis on and more impetus provided for the conservation reserve. I therefore propose an amendment to increase the amount to \$450 million to more closely balance the amount already authorized for the acreage reserve.

That is all I have to say at this time, and I temporarily yield the floor so that the chairman of the Committee on Agriculture and Forestry may speak on the amendment.

Mr. ELLENDER. Mr. President, when the pending bill was being considered by the committee the question, of course, came up as to the amount of money necessary in order to pay on a yearly basis for the conservation-reserve program. The committee went into the question in detail; and on page 3296 of part VIII of the hearings the Secretary of Agriculture, Mr. Benson, indicated that under the conservation reserve—and I quote his words:

The estimate is that perhaps \$350 million the first year and approximately \$1 billion over the first 3 years would be sufficient.

In the proposals which were made as to how much would be required for each acre to be placed in the conservation-reserve program, the Secretary estimated that the overall average of the United States on leased land would not exceed \$10. That being the average, in many States it would necessarily be much lower than \$10.

Mr. President, we have written into the bill, on page 14, beginning with line 14, the yardstick which the Secretary of Agriculture must use in order to determine the amount of payment per acre to be allowed farmers under the conservation-reserve program.

The RECORD also shows that the number of acres the Secretary proposes to place in the conservation reserve is around 25 million. An average of \$10 an acre would amount to \$250 million; and the rest of it, as I understand from the testimony, is to be used to defray the initial cost of establishing conservation cover, such as planting trees and grass.

According to the tentative proposals made by the Secretary, the Government will pay approximately 80 percent of the cost of establishing conservation cover, and the cost is estimated at about \$25 an acre. The bill gives to the Secretary of Agriculture broad powers in order to attain the goal, which he has set at 25 million acres.

At this point I should like to read the yardstick which the Secretary has used. It is written in the bill at page 14, line 14, to which I have just referred. It is as follows:

The rate or rates of the annual payment to be provided for in the contracts shall be

established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil, water, wildlife, or forest conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate.

Mr. President, we went into the matter in detail, and the Secretary assured us that an authorization for an annual appropriation of \$350 million would be ample. I can see no reason to go beyond that figure. To do so certainly would not provide more money for the State of Colorado or any other State. With the yardstick proposed, and with the use of part of the \$350 million in connection with the planting of trees, grass, and so forth, \$350 million should be ample.

Mr. CASE of South Dakota. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. It is true, is it not, that the funds for the contract authority would not be used unless there were some farmers who wanted to contract up to the full amount of \$350 million or \$450 million?

Mr. ELLENDER. It would be limited to \$350 million.

Mr. CASE of South Dakota. Is it not desirable to accomplish the purpose by having as much participation as may be possible?

Mr. ELLENDER. Yes.

Mr. CASE of South Dakota. Then, what harm would there be in giving additional elbowroom for additional contracts?

Mr. ELLENDER. I am not arguing against it; I am simply stating what the Secretary said would be sufficient to reach the goal. The bill provides the full amount which he said was necessary for the program. We are simply complying with his request. If the Senator from Colorado or any other Senator can show that more money is necessary to take out of cultivation the 25 million acres contemplated, the chairman of the committee would not object to increasing the authorization.

Mr. CASE of South Dakota. The Chairman agrees, then, that it would not cost the Government anything unless it called for an additional appropriation?

Mr. ELLENDER. For the 25 million acres?

Mr. CASE of South Dakota. Yes.

Mr. ELLENDER. It goes without saying that with a conservation reserve program of 25 million acres—

Mr. CASE of South Dakota. But the money would not be expended unless there were contracts to require it. It would not cost the Treasury anything.

Mr. ELLENDER. No; but I am saying to the Senator that there is authorized in the bill every dollar the Secretary requested. Personally, I see no reason for our going beyond that.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. This amendment probably would not have the implications it would have if it had been adopted yesterday, because, as the Senator will recall, last night an amendment offered by the Senator from Wyoming called for a direct appropriation to be made after, I think, February 1, 1957. Therefore, the amount suggested by the Senator from Colorado would be more in the nature of an authorization.

Mr. ELLENDER. That is correct.

Mr. AIKEN. It is a direct permission to contract for that amount. So it would not have the importance that it would have had two days ago, so far as the bill is concerned. Undoubtedly, that amount would not be contracted for before next February.

Mr. ELLENDER. We could raise the authorization to a billion dollars if the Senator's argument is carried to its logical conclusion. But what would be accomplished by doing so? We have followed the request made by the Secretary. The record is replete with suggestions from the Secretary and his associates that it was contemplated to take out of production and place in the conservation reserve not more than 25 million acres, and that the sum of \$350 million would be ample. If the Senate desires to increase it to \$500 million, I believe a better case should be made for it than has been presented so far. Since the Secretary has given to the committee a tentative program in which almost every contingency has been provided for, and has concluded that he will need but \$350 million to accomplish it, I can see no reason to increase the authorization beyond \$350 million.

SEVERAL SENATORS. Vote! Vote!

Mr. ALLOTT. Mr. President, I yield myself 3 minutes.

I am fully mindful of the great amount of work that has been put on this bill, but I should like to call attention to the fact that page 14 of the bill provides that the Secretary, under the conservation reserve, shall determine the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate.

Subparagraph (c) provides:

In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

We simply differ basically on the purposes of the reserve conservation program. If those who want to enter into the conservation reserve are going to be put under a bidding program—and the other day in a colloquy I asked the chairman of the Committee on Agriculture and Forestry if that meant what it said, and he said it did mean what it said—if they are to be placed on a bidding basis, as to whether or not they can enter the conservation reserve—and as the Senator has pointed out, the Sec-

retary does not have to require that—then we are indeed going to be in poor shape.

The idea is to get people to come into it. If the Secretary should offer it out on bids for those who will pull their acreage out for less, then we will not have accomplished what we want to accomplish with the conservation reserve.

I can hear some persons say, "Here is a Senator who offers to raise an amount from \$350 million to \$750 million." I do not do this lightly. It is not the amount that concerns me. My idea is that the sums should be more in balance, because the man who takes crops out under the acreage reserve can also take land out under the conservation reserve and get a double benefit.

But the man who does not produce basic crops—the so-called named basics—cannot, and probably will not—in a great many instances be able to come in under the conservation reserve and take his acreage out.

As I have already pointed out, in the irrigation areas of my own State the amount which probably would be paid and appropriated for that purpose would not pay the taxes or other assessments on the land.

Mr. HUMPHREY. Mr. President, will the Senator yield to me? I should like to enter into a colloquy with him on the subject.

Mr. ALLOTT. Mr. President, I yield 3 minutes to the Senator from Minnesota.

Mr. HUMPHREY. I think the proposal of the Senator from Colorado is sound. There has been far too little emphasis placed upon the conservation reserve feature of the bill. The acreage reserve is for allotted crops and allotted acres. The allotted acres are supposed to relate to the domestic need, to domestic consumption.

The conservation reserve is for what we call diverted acres—the arid, semi-arid, or marginal lands. It is a long-term program.

I think what the Senator from Colorado is trying to do is to emphasize the purpose of the soil bank—that is, the use of the soil bank—is the conservation reserve. He is right in that assumption, from my point of view.

Therefore, I think it is important that there be sufficient funds, in the terms of the authorization, to develop that program over a long period of time. The point has been made that if the funds are not expended or appropriated, the \$450 million authorization which the Senator from Colorado is suggesting surely cannot mean additional expenditures. It would simply mean that the Secretary of Agriculture would be given the additional flexibility which he needs to contract for whatever number of acres may be desirable under the program.

This question was discussed in the committee. \$350 million was recommended by the Department in their estimates. On that basis, the committee agreed to the request of the Department.

If the Senator from Colorado presses his amendment for a vote, I shall feel disposed to vote for it, because I think

it is a constructive amendment and places the emphasis on the soil bank, where it belongs.

Mr. ALLOTT. I thank the able Senator for his words.

Mr. President, if no other Senator desires time, I am prepared to yield back the remainder of my time.

THE LATE SENATOR HARLEY M. KILGORE

Mr. ELLENDER. Mr. President, I yield half a minute on the bill to the distinguished senior Senator from West Virginia.

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a brief letter of appreciation written by Mrs. Harley M. Kilgore to the United States Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the Senate of the United States:

The family of Harley Martin Kilgore will forever remember your great kindness to us in our dark hour. In pardonable pride I can say "your dark hour, too," for there never lived a greater patriot than Harley Kilgore.

LOIS LILLY KILGORE.

MARCH 14, 1956.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. ELLENDER. Mr. President, unless other Senators wish to be heard on the amendment offered by the Senator from Colorado, I am willing to yield back the remainder of my time.

Mr. ALLOTT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

ORDER FOR RECESS UNTIL 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

COOPERATION AGAINST CANADIAN STOCK FRAUDS

Mr. WILEY. Mr. President, my colleagues in the Senate will recall that on numerous occasions, I have called attention to the problem which had arisen because of the entry into the United States of certain illegal security offerings on the part of a relatively handful of unscrupulous dealers in Canada.

I will not at the present time elaborate on the extensive background of this subject which has been explored, both on the Senate and House side by the Banking Committees, and by myself.

I did, however, make earlier reference to this problem in the CONGRESSIONAL RECORD of May 11, 1955, beginning on page 5133, and on June 17, 1955, beginning on page 7250.

I have, of course, been in continued close touch with the executive agencies which are necessarily most active in this connection. Those agencies are, of course, the Securities and Exchange Commission, the Department of State, and the Department of Justice.

Recently I was glad to meet again with the distinguished Chairman of SEC, the Honorable J. Sinclair Armstrong, and with Deputy Assistant Secretary of State T. V. Kalijarvi, who discussed United States-Canadian progress in this important connection.

I am glad to advise my colleagues that the executive agencies have been definitely following up on this matter with close attention. And, in turn, I, for one, will continue to note this matter closely.

Of course, as I have pointed out on many occasions, our relations with our good neighbor to the north are so excellent on so many fronts that are of infinitely more significance, that I would not want this relatively small stock offering to be magnified out of proportion.

Nevertheless, as our good friends to the north are aware and as we are aware, the matter should be effectively settled, so that never again does it arise to bother either of our two governments or peoples, or Canadian Provinces or our States.

I am satisfied, however, that, thanks to important action which has been taken, we are well on our way to a final solution of protecting investors, so that we can turn our attention to more important problems of deep mutual interest.

I ask unanimous consent the text of a letter which I have just received from Commissioner Armstrong be printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECURITIES AND EXCHANGE COMMISSION,
Washington, D. C., March 14, 1956.

HON. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: Deputy Assistant Secretary of State, Thorsten V. Kalijarvi, and I appreciated the opportunity of meeting with you in order to report the progress being made in dealing with the problem of illegal offerings of Canadian securities in the United States. We know of your deep interest in this subject and your concern about protecting American citizens. We should like to confirm, and perhaps to amplify, our conversation concerning this matter.

As we all know, Canada has recently experienced a rapid growth and development, which has in turn afforded many attractive opportunities to American investors. According to the latest available Government figures, the value of Canadian securities held by American investors at the end of 1954 amounted to over three and a quarter billion dollars, of which over \$300 million was acquired in 1954. Unfortunately, as you are quite aware, the interest of American investors has been exploited by a small group of unscrupulous persons whose illegal and often fraudulent activities have for many

years been a source of grave concern, not only to this Commission, but also to provincial and State securities administrators, other agencies of both governments, Members of the Congress, and indeed the securities industry itself.

The problem has no easy solution. Not only the violators, but also much of the evidence, is beyond the jurisdiction of law enforcement authorities in the United States. Because of this, the voluntary cooperation of Canadian authorities is usually necessary, not only to apply effective sanctions to offenders, but also to collect the necessary evidence concerning the nature of their activities and the truth or falsity of their representations.

Canadian authorities also have their problems in dealing with these activities. The powers of provincial securities administrators with respect to illegal sales into the United States are not altogether clear, and they are under handicaps in dealing with persons who migrate from province to province. I am sure you realize that any direct intervention by the Government of Canada raises delicate questions of Federal-provincial relationships.

The Commission and other Federal agencies have made vigorous efforts to deal with this problem. Hundreds of investigations have been made, injunctions have been secured whenever jurisdiction over the violator could be obtained, a substantial number of criminal indictments have been entered, and over 80 postal fraud orders have been issued. A central clearing house for information concerning violators has been established within the Commission, whereby information in the possession of numerous law enforcement agencies is compiled and exchanged. A so-called "restricted list" of Canadian securities which appear to be the subject of illegal offerings has been created. This list is circulated to brokers and dealers in the United States with warnings against trading in such securities. It is presently proposed to revise and improve the list after consultation with Canadian authorities. Following lengthy and often difficult negotiations, a revised extradition treaty with Canada was entered into in 1952, which was intended to cover fraudulent securities transactions. Although this treaty was, unfortunately, given a very narrow interpretation by a Canadian court in 1955, we still hope that it may prove a useful instrument. Particular efforts are being made to establish and maintain cooperative relations with the provincial securities administrators. We are fortunate in the fact that the Province of Quebec, from which many illegal offerings formerly emanated, has within the past year established an able and vigorous Securities Commission.

Although the problem persists, we are encouraged by the progress being made. According to all information available to us, fraudulent offerings from Canada have decreased very substantially since the peak of 1949-52, both in number and in magnitude. This progress is the more encouraging because the past year or two have been a period of activity in the securities market and relatively high public interest in speculative securities, with the result that an increase rather than a decrease in fraudulent offerings from Canada might reasonably have been anticipated. It is our feeling that our relations with provincial authorities in the various provinces of Canada have never been better. We also feel that there is now no province which is disposed to tolerate fraud, where fraud can be shown and power to deal with it is available. During the last 13 months, provincial authorities have cancelled the registrations, or otherwise stopped the offerings, of 13 persons or firms concerning whose activities we had complained. These included a number of promotions which bore all the signs of an

old-fashioned high pressure scheme to defraud American investors.

I wish to assure you that, in conjunction with other agencies of the Government, we are making every effort to meet the problem and to preserve and extend the progress being made toward a solution. We deeply appreciate the continuing and vigorous support which you have given to us and other law enforcement agencies in our efforts to protect American investors. Mr. Kalijarvi is in complete agreement with the foregoing, and has asked me to reaffirm his Department's continuing desire to cooperate fully in our efforts to deal with this problem.

Sincerely yours,

J. SINCLAIR ARMSTRONG,
Chairman.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. CAPEHART. Mr. President, I offer an amendment which I do not ask to have read, except by title.

The CHIEF CLERK. At the end of the bill, it is proposed to add a new title.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the amendment may be printed at this point in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

TITLE VII—INTERNATIONAL FOOD COMMUNITY BOARD

SHORT TITLE

SEC. 701. This title may be cited as the "International Food Community Board Act of 1956."

DECLARATION OF PURPOSES

SEC. 702. It is the purpose of this title to distribute Government-owned stocks of surplus agricultural commodities by an orderly system of disposition of such commodities through private nonprofit organizations, and to needy peoples at home and in free foreign nations, and thus to relieve the agricultural economy of the United States of the harmful effect to fair market prices of these surpluses hanging over the market and at the same time provide food and clothing for underprivileged peoples of the free world.

INTERNATIONAL FOOD COMMUNITY BOARD

SEC. 703. (a) There is hereby established in the executive branch of the Government an agency to be known as the International Food Community Board (hereinafter referred to as the "Board"). The Board shall be composed of five members who shall be appointed by the President from among the heads of departments in the executive branch most concerned with the purposes of this title. One of the members shall be designated by the President as Chairman and one shall be designated by him as Vice Chairman. No member of the Board shall receive any additional compensation for his services on this Board. Members of the Board shall serve at the pleasure of the President.

(b) The Board is authorized to appoint and fix the compensation of such officers and employees, and to make such expenditures as may be necessary to carry out its functions. The Board may delegate any of its functions to such of its officers and employees as it may designate.

(c) The Board shall, with the consent of the Government agency concerned, avail itself of the services and facilities of existing Government agencies in carrying out its functions under this title and may, with the approval of the President, delegate any of its powers to any Government agency.

(d) The Board is authorized to appoint without regard to the civil service laws and regulations such advisory committees as it deems necessary to assist it in carrying out its functions under this title. Persons so appointed may be compensated at rates not in excess of \$50 per diem and may be reimbursed for necessary traveling and subsistence expenses incurred by them while engaged in the business of the Board.

STATE LIAISON COMMITTEES

SEC. 704. The Board is authorized to appoint for any State or regional area, a State or regional liaison committee composed of three members. The Board shall perform its functions under this title in such States or regions with the advice and on the recommendations of such liaison committees. Members of such State or regional liaison committees shall serve at the pleasure of the Board, may be compensated at the rate of not more than \$50 per diem, and shall be reimbursed for necessary traveling and subsistence expenses incurred by them while engaged in carrying out functions under this title. The Board shall provide each such liaison committee with such stenographic and other assistants as it may reasonably require. Such liaison committees shall be charged with the responsibility of assisting properly qualified applicants to avail themselves of the benefits of this program.

FUNCTIONS OF THE BOARD

SEC. 705. It shall be the duty of the Board to formulate and put into effect programs designed to carry out the purposes of this title. Such programs shall include, but shall not be limited to, plans for—

(1) the distribution over a period of approximately 3 years (or, in the case of perishable commodities, such shorter period as may be necessary to prevent spoilage) to needy peoples in the United States and in friendly foreign countries who would otherwise be unable to obtain such commodities or products, of all stocks of Government-owned surplus agricultural commodities, or products processed therefrom, less—

(i) such quantity of each commodity as the President may estimate is necessary to provide an adequate national reserve of such commodity for emergency purposes;

(ii) such quantity of each such commodity as the President may estimate can be sold or otherwise disposed of, from the stocks of Government-owned agricultural surpluses, during the period of this program, through previously authorized programs; and

(iii) the President may from time to time revise such estimates and thereupon this program shall be correspondingly revised;

(2) carrying out such distribution in a manner which will not materially displace, disrupt, or interrupt existing commercial markets;

(3) carrying out such distribution, to the maximum extent feasible, through the facilities of private nonprofit organizations in the United States and abroad and through locally sponsored or locally administered plans of operation;

(4) storing in foreign countries of commodities transported for ultimate distribution within, or in the areas of, such countries, and for the transportation abroad as soon as possible of the commodities proposed ultimately to be distributed abroad.

(5) transportation of commodities and products to be distributed to storage facilities in areas of distribution and the leasing, or where necessary the construction, of necessary storage space in such countries;

(6) processing of commodities into consumable goods wherever possible without cost to the Government; and

(7) reimbursement of costs incurred by the Board in processing commodities into consumable goods and in providing trans-

portation from storage facilities to points of consumption.

POWERS OF BOARD

SEC. 706. In carrying out its functions under this title, the Board is authorized to—

(1) obtain Government-owned surplus agricultural commodities from the Commodity Credit Corporation, without reimbursement to the Commodity Credit Corporation for such commodities, and the Commodity Credit Corporation is directed to deliver to the Board for the purposes of this title such commodities as the Board may request and which are to be disposed of under section 705 (1) of this title;

(2) enter into contracts for the processing into consumable goods and bulk packaging of such commodities, and for their transportation to storage facilities in areas of distribution (or, in exceptional cases, to points of consumption);

(3) enter into agreements, as provided in section 707 of this title, with private nonprofit organizations in the United States and in foreign countries for the distribution of commodities and products processed therefrom to the ultimate consumers thereof;

(4) accept donations of transportation, processing, and other services.

AGREEMENTS WITH DISTRIBUTING ORGANIZATIONS

SEC. 707. Agreements entered into pursuant to section 706 (3)—

(1) shall provide, except as provided in section 708, for payment to the Board for commodities or products furnished to the distributing organization, and reimbursement of the Board for costs incurred by it in the processing or transportation of such commodities or products, but such payment need bear no relation to the fair market value of the commodity or product, the purpose of this title being to distribute surplus goods to needy peoples;

(2) shall contain such provisions as the Board may deem necessary or appropriate to assure that the commodities and products to be distributed under such agreement will be delivered only to needy peoples not otherwise able to obtain such commodities, or to schools, hospitals, or other institutions for consumption or use by such peoples, all pursuant to the purposes stated in section 705, paragraphs 1 and 2, of this title;

(3) shall limit the charge made to recipients of such commodities or products to not more than actual cost to the nonprofit organization including processing and transportation (excluding local transportation in the country or area of distribution);

(4) may permit such nonprofit organization to contract with a processor to process any such commodities in exchange for by-products thereof (provided that the fair value of the byproducts does not exceed the reasonable charge for such processing).

PAYMENT FOR COMMODITIES

SEC. 708. (a) The Board is authorized to distribute commodities and products under this title at such prices, not in excess of the fair value thereof, as recipients are able to pay, and as are consistent with the purposes of this title. Payment for such commodities and products may be in the form of—

(1) raw materials needed for stockpiling for national defense purposes;

(2) goods and services needed by Armed Forces personnel; or

(3) United States or foreign currencies. Any foreign currencies acquired under the provisions of this subsection shall be purchased from the Board by the Export-Import Bank of Washington at current rates of exchange.

(b) Notwithstanding any other provision of this title, the Board may make commodities or products available for distribution under this title without any cost whatever to the distributing agency when the per-

sons to whom ultimate distribution will be made are unable to make any payment therefor (or any payment in excess of transportation and processing costs).

(c) Amounts received by the Board under this section may be used to defray any proper costs of this program and any remaining funds shall be paid into the Treasury as miscellaneous receipts.

APPROPRIATIONS

SEC. 709. There are authorized to be appropriated such sums as may be necessary to enable the Board to carry out its functions under this title.

MISCELLANEOUS PROVISIONS

SEC. 710. (a) As used in this title, the term "Government-owned surplus agricultural commodity" means agricultural commodities acquired by the Commodity Credit Corporation prior to the date of enactment of this act through price-support operations or pledged to the Commodity Credit Corporation under agreements entered into prior to such date, and agricultural commodities acquired prior to such date through the use of funds made available under section 32 of the act of August 24, 1935 (Public Law 320, 74th Congress).

(b) The Board shall take such action as may be necessary in order to make known to prospective applicants the availability of agricultural commodities and products for distribution under this title.

(c) Agricultural commodities and products stored in accordance with section 705 (4), shall remain the sole property of the United States and subject to its exclusive control until distributed by the Board in accordance with a program promulgated under this title. No commodities or products so stored shall be returned to the United States except in case of national emergency.

(d) The President is authorized to transfer to the Board any functions or duties of any other agency of the Government relating to the disposition of surplus Government-owned agricultural commodities.

(e) The Board shall transmit to the Congress annually a report of its activities under this title.

SEC. 711. This title shall expire on June 30, 1960.

Mr. CAPEHART. Mr. President, I shall not press for the adoption of the amendment, because it really should be considered as a separate bill. I only wish to say that I hope other Senators will join with me in requesting that the administration, in spite of the fact that I think it is doing a good job at the moment, and has been doing a good job, will do a better job in respect to the disposal of surplus food; and particularly that the administration will do a better job in respect to the disposal of surplus food to the poor people of the United States and of the world.

I hope some day to see the United States Congress pass a bill whereby the Government will attack intelligently, and will place under one authority, the matter of the distribution of surplus foodstuffs to the poor people of the United States and of the world. I think we need to do that, and I hope we shall do it.

I think my amendment should be introduced as a separate bill rather than to be included in the pending bill. But I hope it is the consensus of the Senate that the administration should accelerate and redouble its efforts to dispose of the farm surpluses at this time.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ANDERSON. Mr. President, I offer an amendment, which I had intended to propose this evening. I ask that it be printed and lie on the table until tomorrow.

The PRESIDING OFFICER. The amendment of the Senator from New Mexico will be printed and will lie on the table.

HUNGARIAN INDEPENDENCE DAY

Mr. HUMPHREY. Mr. President, 107 years ago today, March 15, 1849, Hungary first became independent from the rule of the Hapsburgs. This would be independence day in Hungary, but Hungary cannot be said to be independent today. Whatever the government that now governs Hungary might be called, "People's Republic" or otherwise, there is no question that the Hungarian people are now dominated by a foreign power as surely as they were under the Turks or the Austrians.

The Communist tyranny that has taken over Hungary would obliterate the independent spirit of the Hungarian people and absorb them into the orbit of the Communist sphere. We have seen in the past decade how the rulers of Hungary, like those of the other Eastern European nations, are subservient to the will of Moscow. We have seen them obey the whim of the Communist leaders in the Kremlin. All opposition to the political order has been stamped out.

Louis Kossuth stirred the spirit of independence in the Hungarian people and then kept it alive though he was forced to flee when the Hapsburgs again conquered the new nation. That spirit did not die. The spirit of Louis Kossuth and the patriots of 1848 lives on today in the Hungarian people. We must not allow it to die, though the Communists would seek to exterminate it.

On March 15, 1956, the Hungarian people should know that the American people share with them that love of independence. We fought for and gained our independence as a Nation from a foreign ruler. We can understand and sympathize with a people in their yearning to free from foreign oppression.

On this day of anniversary of their independence, the Hungarian people should know that the American people will never accept the obliteration of Hungary as an independent nation. We exhort them to look forward to the day when another patriot like Louis Kossuth will again stir the spirit of freedom in Hungary.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. LANGER. Mr. President, earlier in the evening the Senate agreed to an amendment providing that the Commodity Credit Corporation would have permission, under certain circumstances, to give food in any amount to the Federal penitentiaries and reform schools.

I offered the amendment at the time it was considered. I did not mention

that the cosponsor of the amendment was the distinguished junior Senator from Maryland [Mr. BEALL]. The junior Senator from Maryland, back in January, introduced Senate bill 2819 on the same subject.

I ask unanimous consent that the junior Senator from Maryland may join with me as a cosponsor of the amendment which was agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, yesterday, by a voice vote, the Senate adopted an amendment to title VII of S. 3183, to provide for a miscellaneous survey of the existing system of grading meat.

Today I was interviewed by a representative of the so-called small packers, who explained to me that, in their opinion, the amendment amounts to a big packers' amendment; that it really is aimed at denying to the meat consumers of America the protection of Federal grading.

Because I think something ought to be in the RECORD in regard to the amendment, so that it can be considered in conference, I ask unanimous consent to have printed at this point in the body of the RECORD a very brief argument of two pages which I have prepared in opposition to the amendment which was agreed to yesterday afternoon, and based upon the information which was given to me today by a representative of the small packers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

FACTS OPPOSING S. 3183

I. What is this amendment?

The overt intent of this seemingly innocuous amendment is to imply that no research is being done on the impact and effects of Federal grading and to give the impression that this is an important reason for the present low level of prices for cattle. A great deal of research is being done as is pointed out below. It is a problem, but it will not be resolved by placing a rider on a major piece of agricultural legislation. The real intent of the rider is to gain support for the abolishment of the Federal grading.

II. Economic pressure behind amendment

This bill is a part of the American Meat Institute program to kill Federal grading of meats. Roscoe Haney, Washington representative of Wilson & Co., was appointed by the big packers to lead the "Abolish Federal Grading" movement. Aled Davies, Washington staff representative of AMI, formerly WOC, served at a desk in Secretary Benson's office from 1952 to 1954 without pay in an advisory capacity on livestock and meats, is the coleader of the attack against the Federal grading of meat.

III. Economic opposition against this amendment

The two most vocal organizations against this amendment are NIMPA, National Independent Meat Packers Association and WSMFA, Western States Meat Packers Association. These associations represent small packers' interests as opposed to the interests of big packers. They are represented in Washington by Killick and Blaine Lillienquist, respectively.

IV. Divided interests

Livestock producer groups may be or may not be supporting this amendment. Many

of them have been sold a bill of goods by the big packers, but there is no basis for believing that many producers or their leaders have a factual understanding of the impact of Federal grading on the pricing of livestock and the price structure of meats and meat products. However, the American National Cattleman's Association is favorable to Federal grades. At their last annual meeting in New Orleans they arranged for a debate at which Forbes of WSMFA put forth a strong pro-grading statement.

V. What research is being done

Under title II and other Federal grants, 11 land grant colleges are doing intensive research on consumer preferences for beef. Consumer preference studies can only be studies of consumer preference for different qualities of meat; i. e., Prime, Choice, Good, Commercial, etc. The amount being spent during 1955-56 will approximate \$125,000. The amount should be substantially increased in fiscal 1956-57 because land-grant colleges in the South are developing projects in this area. Some of the States which are now carrying on research are Texas, Arizona, California, Oregon, Washington, Wyoming, Colorado, Missouri, and Louisiana. AMS has planned an initial expenditure of \$50,000 of marketing research funds on the economic impact of Federal beef grading on producers and consumers and the meat industry. As a part of this project a \$15,000 contract has been negotiated with Babson Institute which awaits final signature. It may seem doubtful that much more additional money can effectively be spent for research on this subject until present efforts bear some fruit.

VI. Why this amendment?

The big packers have had knowledge for some time that the USDA is initiating a study of grading. It is plausible that they fear that unbiased professional opinion based upon a study of the available facts will conclude that Federal grading is beneficial to consumers and producers alike.

Why the clause "and in the course of such study shall use the services and facilities of land grant colleges wherever practicable."? It may be that it is the purpose of the sponsors of this amendment that the Secretary of Agriculture should make arrangements with a land grant college where they hope that some of the staff might be subject to the point of view of the big packers.

I fear that the real purpose of the amendment is to deny to the meat consumers of America the protection that goes along with Federal grading of meat. The Department of Agriculture owes it to the American people to support a Federal meat-grading program and I submit that it has all of the facts that it needs on the basis of research already done on this subject. The amendment was a mistake and I hope it will be eliminated in conference.

Mr. NEUBERGER. Mr. President, I should like to associate myself with and join in the statement which has just been made by the senior Senator from Oregon, concerning the so-called meat packers amendment, which was included as an amendment to the farm bill yesterday.

Mr. JOHNSON of Texas. Mr. President, many Members of the Senate were unable to be present this afternoon when some important yea-and-nay votes were taken.

I wish to announce for the information of all Senators, so that they may make their plans accordingly, that it is planned to make every effort possible to complete action on the farm bill tomorrow. The Senate will convene at 10 o'clock tomorrow morning and will continue in session until at least 10 o'clock tomorrow evening, if there is any hope of finishing

the bill by tomorrow night—and there appears to be some likelihood of doing so.

I hope Senators will make their plans so as to enable them to be present and to cast their votes on the important issues. There is no more important bill before Congress than the farm bill. The Senate has been debating it for several weeks. I hope we may complete action on it this week. If not, we shall continue the consideration of the bill next week and remain on the bill until action on it has been finished.

In an attempt to get the business of the Senate under way and concluded by tomorrow, we will convene tomorrow at an unusual hour in the morning. I hope Senators will restrain themselves from discussing at length every possible amendment that might be offered, to the end that the Senate might finally come to the vote on final passage.

Mr. KNOWLAND. Mr. President, I should like to join in the statement made by the majority leader, and express the hope that Senators on both sides who may wish to complete action on the bill tomorrow will remain in reasonably close proximity of the Senate Chamber, so that if there are quorum calls, we shall not use too much time in obtaining a quorum. I think, with the cooperation of all Senators, we should be able to complete action on the bill tomorrow. I certainly join in the hope of the majority leader that we may conclude action on it then.

Mr. JOHNSON of Texas. Mr. President, I appreciate what the distinguished minority leader has just said. I meant absolutely no criticism of the minority Members for not being in close proximity to the Chamber. As a matter of fact, one of the things I am critical of is that they were in too close proximity to the Chamber. I had in mind that some of my colleagues on this side of the aisle should have been in closer proximity to the Chamber than they were.

Mr. President, if there is no further—

Mr. MORSE. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. JOHNSON of Texas. I yield to my colleague.

Mr. MORSE. I should like to make an inquiry as to whether a motion to reconsider the vote by which there was rejected my amendment in regard to the elimination of a 15-percent State contribution for seed and feed would be in order tomorrow.

The PRESIDING OFFICER. The Chair is advised that the motion would be in order if the motion were made by a Senator who had voted on the prevailing side.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Would a motion to lay that motion on the table be in order at that time?

The PRESIDING OFFICER. A motion to reconsider is privileged, and a motion to lay on the table would not be in order until the motion to reconsider was made.

Mr. KNOWLAND. At the present time the Senator from Oregon is merely giving notice that he is going to move to reconsider, but at the time he moves to reconsider, a motion to lay on the table will be in order, will it not? In other words, the motion will have to be made by a Senator on the prevailing side.

The PRESIDING OFFICER. Or by a Senator who did not vote. That is correct.

Mr. JOHNSON of Texas. Mr. President, if such a motion were made, of course a motion to lay on the table would be in order, would it not?

The PRESIDING OFFICER. The point is, there would first have to be a motion to reconsider, before a motion to lay on the table would be in order.

Mr. JOHNSON of Texas. We understand that.

Mr. KNOWLAND. Is a Senator who did not vote on the prevailing side required to give notice on the question of the motion to reconsider?

Mr. MORSE. Mr. President, if the Senator from California will yield to me for a moment, I merely wish to say I do not like to see my friend from California in error. I am sure he does not want to put words in my mouth. I have not given any notice of anything. I made a parliamentary inquiry.

Mr. KNOWLAND. There was a slight amount of confusion in the Chamber. I thought we would either compound the confusion or clarify the situation.

Mr. MORSE. All I did was make a parliamentary inquiry. I only wish to point out that what I tried to do by my amendment was put to work a principle of Christianity. After my colleagues sleep on it, I think they will be more in agreement with my view.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MORSE. I do not have the floor. The Senator from California has the floor, I believe.

Mr. JOHNSON of Texas. I think our friend is going on the principle of "convince if you can; if you can't, confuse."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. ELLENDER. I express the hope we can complete action on the bill tomorrow. I do not know how many contentious amendments remain. As a matter of fact, about 2 or 3 hours ago I felt the Senate would conclude action on the bill tonight. I learned that one amendment which would have consumed much time and have required quite a bit of debate would not be called up. Of course, the Senators who told me that may change their minds.

The pending amendment may consume a little time.

Then, I understand my good friend from Florida has an amendment that may cause a little debate. As I understand his amendment, it is to make the soil-bank program more or less compulsory.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I believe we can complete consideration of that amendment in a fairly short period of time.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I do not know of any other controversial amendments.

Mr. JOHNSON of Texas. Mr. President, I have the floor. I shall yield to the Senator from Florida as soon as the Senator from Louisiana concludes his statement.

Mr. ELLENDER. I do not know of any other contentious amendments. If the Senate meets at 10 o'clock tomorrow morning, and if the Democrats will stay as close to base as have the Republicans this evening, we may be able to conclude action on the bill in a short time. I express the hope that we can get together and can conclude action on the bill tomorrow.

Mr. JOHNSON of Texas. Now I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, in the first place, so far as the amendment of the Senator from Florida is concerned, it will take but a few minutes to explain the amendment, and then I shall be perfectly willing to abide by the judgment of the Senate.

The Senator from Louisiana is a little in error in interpreting my amendment. It has no bearing on the acreage reserve. It relates solely to conservation acreage. It does not involve any reduction of allotted acreage. I think the amendment would help do the thing that has been mentioned several times tonight, that is, place greater emphasis on the conservation-reserve program. I simply wanted the Senator to know that my amendment does not propose to write compulsion into the acreage-reserve program.

Mr. ELLENDER. If I said acreage reserve, I meant conservation reserve.

Mr. HOLLAND. The Senator said soil-bank program. I was sure the Senator would not mind my correcting his statement.

Mr. ELLENDER. No, indeed. It was my error.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

LOWER LABOR COST AND HIGHER PRICES OF FARM EQUIPMENT—PETITION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a petition signed by sundry citizens of the State of Minnesota, praying for an investigation of the spread between lower per-unit labor cost and higher prices of farm equipment.

There being no objection, the petition, without the signatures attached, was ordered to be printed in the RECORD, as follows:

TO THE HONORABLE SENATORS PAUL H. DOUGLAS AND WILLIAM LANGER, SENATE OFFICE BUILDING, WASHINGTON, D. C.

Whereas propagandists have blamed higher prices of farm equipment to high labor costs and thus tried to turn farmers against town and city workers; and

Whereas the per-unit labor costs of making farm equipment is decreasing due to

the increased productivity of farm equipment workers; and

Whereas in spite of lower per-unit costs, John Deere & Co. and other companies have steadily raised prices of farm equipment: Therefore be it

Resolved, That we, the undersigned, respectfully urge that the Congress of the United States investigate the spread between lower per-unit labor cost and higher prices of farm equipment.

(Signed by Lee G. Stevenson and 81 other citizens of the State of Minnesota.)

PREPAYMENT FOR OPERATION AND MAINTENANCE DUE THE GOVERNMENT THROUGH BUREAU OF RECLAMATION—PETITION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a petition signed by sundry citizens of Stanton, N. Dak., favoring the postponement of the prepayment for operation and maintenance due the Government through the Bureau of Reclamation, in connection with the Fort Clark irrigation project.

There being no objection, the petition, without the signatures attached, was ordered to be printed in the RECORD, as follows:

We, the undersigned landowners owning land and residing in the Fort Clark Irrigation District in Mercer and Oliver Counties, N. Dak., respectfully petition our delegates in Congress that every effort be made by our congressional delegates to postpone the prepayment for operation and maintenance due the Government through the Bureau of Reclamation in connection with the Fort Clark irrigation project. We further petition that the prepayment development period be extended for a 5-year period for the reason that the undersigned have not as yet had adequate benefit from the project to aid them in the prepayment of the operation and maintenance payments. That the undersigned petitioners further feel that they are unable to at this time make the payments that are due under the contract entered into by the United States Government through the Bureau of Reclamation and that they respectfully request that the operation and maintenance payments be extended until such time that the undersigned landowners receive benefits from the irrigation project which will make it possible for them to make the payments.

RESOLUTION OF FEDERAL CIVIL SERVICE WAR VETERANS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the national convention of Federal Civil Service War Veterans, at Chicago, Ill., favoring the enactment of legislation to amend the Veterans' Preference Act to give the veteran the right to appeal a regional board's decision.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Veterans' Preference Act gives a veteran dismissed from the Federal civil service the right to appeal to the regional Civil Service Commission; and

Whereas the same act gives both the Government agency and the veteran the right to appeal the decision to the United States Civil Service Commission; and

Whereas the Post Office Department as a matter of policy is appealing all decisions not in their favor; and

Whereas most of these appeals are unwarranted and based on very weak and spurious evidence, and would not be permitted under civil law, as they constitute only vexatious delay: Now, therefore, be it

Resolved, That the Federal Civil Service War Veterans, in national convention assembled, in Chicago, Ill., January 29, 1956, petition the Congress of the United States to amend the Veterans' Preference Act to give only the veteran the right to appeal the regional board decision; and be it further

Resolved, That copies of this resolution be forwarded to the Members of the House and Senate, Post Office and Civil Service Committees for consideration and action.

NATIONAL SYSTEM OF INTERSTATE HIGHWAYS—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Minnesota Highway No. 2 Association urging that United States Highway No. 2 be included in the National System of Interstate Highways.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD as follows:

MINNESOTA U. S. HIGHWAY
No. 2 ASSOCIATION,

Bemidji, Minn., February 29, 1956.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR MR. HUMPHREY: Following is a copy of a resolution unanimously adopted by the Minnesota Highway No. 2 Association at a meeting held at Bemidji, Minn., on February 27, 1956. The Minnesota Highway No. 2 Association represents 14 Minnesota cities situated on Highway 2 from Duluth on the east to East Grand Forks on the west:

"Whereas United States Highway No. 2 is a vital link between the port of Duluth-Superior and the timber, agricultural, and mineral resources of Minnesota, North Dakota, and Montana; and

"Whereas the projected St. Lawrence seaway development will, in the near future, make United States Highway No. 2 an even more important artery of commerce; and

"Whereas a new bridge spanning the Straits of Mackinac, to be completed in 1957, will funnel increased traffic from United States Highways 31, 131, 27, and 23 to United States No. 2; and

"Whereas vital Air Force bases will soon be in operation at Duluth, Grand Forks, Minot and Glasgow, along with strategically located radar installations at numerous points on or adjacent to Highway 2; and

"Whereas United States Highway No. 2 is used most extensively by Canadians both for commercial purposes and for touring, with great profit accruing to United States towns and cities along the route; and

"Whereas United States Highway No. 2 is the northernmost highway spanning the United States from the vital ship canal at Sault St. Marie, Mich., to Everest, Wash., and thus is of great potential, strategic military importance: Now, therefore, be it

Resolved, That because of its importance to the upper Midwest economy, its importance as a vital link between airbases and other military installations and its potential as a military highway in time of war, its use by Canadians and the resulting furtherance of United States 'good neighbor' policy, its potential as a feeder highway to the Great Lakes ports when the St. Lawrence seaway project is completed, United States Highway No. 2 should be included in the National System of Interstate Highways. We hereby petition the Bureau of Public Roads and

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 19, 1956
For actions of March 16, 1956
84th-2nd, No. 47

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HIGHLIGHTS: Senate continued debate on farm bill. President signed measure to increase quotas and allotments on 1956 durum wheat crop. Senate committee announced that conferees would meet Monday, March 26, to consider measure to amend and extend Sugar Act. Consideration of cargo preference bill was transferred from Senate Agriculture and Forestry Committee to Interstate and Foreign Commerce Committee.

SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. pp. 4377-4425

Agreed to the following amendments:

By Sen. Anderson, to strike out sec. 403 of the bill which provides for reserving not to exceed 1 percent of the national acreage allotment for cotton to assist in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller, by a vote of 46 to 43. pp. 4377-83

By Sen. Welker, as modified, to provide that for a period of 3 years from the date of enactment of this act, no agricultural commodity in surplus supply shall receive crop loans or Federal farm payments or benefits on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of the act, by a vote of 63 to 28 (a motion to reconsider the vote was tabled). pp. 4393-98

By Sen. Clements, to amend sec. 416 of the Agricultural Act of 1949 to authorize the CCC to pay the cost of processing surplus commodities into a form suitable for home or institutional use. pp. 4398-4402

By Sen. Kerr, to authorize an annual appropriation of \$500 million (instead of the \$250 million in sec. 305 of the bill) to further carry out the provisions of section 32. p. 4408

By Sen. Magnuson, to strike out section 307 removing sales for foreign currency, under Title I of the Agricultural Trade Development and Assistance Act of 1954, from the fifty-fifty cargo preference statute, by a vote of 57 to 23 (a motion to reconsider the vote was tabled). pp. 4408-25

Rejected the following amendments:

By Sen. Young, as modified, to limit the annual imports of surplus agricultural commodities to the level of the previous 3-year average, by a vote of 43 to 47. pp. 4384-93

By Sen. Humphrey, as modified, to provide incentive payments on light-weight hog and cattle under section 32. pp. 4402-08

Sen. Holland submitted an amendment intended to be proposed to the bill. p. 4365

Sen. Langer objected to a unanimous consent request to limit debate on each of the remaining amendments to 30 minutes instead of 1 hour. p. 4397

2. SUGAR. The Finance Committee announced that on Monday, March 26, the conferees will meet on H. R. 7030, to amend and extend the Sugar Act of 1948. p. D246

3. APPROPRIATIONS. The Appropriations Subcommittee concluded hearings on H. R. 9390, the Interior Department and related agencies appropriation bill for 1957. p. D245

Received from the President, a proposed supplemental appropriation of \$764,000 for the Interior Department for the 1956 fiscal year. p. 4364

4. LEGISLATIVE PROGRAM. Agreed to a unanimous consent request that on Monday, March 19, the calendar will be called on bills to which there is no objection. p. 4400

5. FORESTRY; MINERALS. Received an American Bar Assoc. resolution favoring enactment of S. 748, to prohibit the U. S. from acquiring mineral interests in lands acquired by it except for purposes for which the lands were acquired. p. 4364

Sen. Neuberger spoke in favor of his proposal that the Clearwater National Forest in Idaho be named in tribute to Bernard De Voto, and inserted a letter from the Governor of Massachusetts supporting the proposal. p. 4367

6. FARM CREDIT. Received from the Governor of the Farm Credit Administration, alternate drafts of proposed legislation providing for merging production credit corporations in Federal intermediate credit banks; retirement of Government capital in Federal intermediate credit banks; and supervision of production credit associations; to Agriculture and Forestry Committee. p. 4363

7. IRRIGATION. Sen. Langer inserted a Water Conservation Commission resolution favoring the enactment of legislation providing for the establishment of small irrigation projects in cooperation with the States. p. 4364

3. FARMERS UNION. Sen. Murray defended the Farmers Union against "the charge" that its members "are inclined toward Communist or Socialist doctrines," and inserted a statement to support his position. p. 4367

2. FOREIGN TRADE. Agreed to a motion by Sen. Ellender to discharge the Agriculture and Forestry Committee from further consideration of S. 2584, the cargo preference bill to exempt sales of surplus agricultural commodities for foreign currencies from certain statutes relating to shipping, and refer it to the Interstate and Foreign Commerce Committee. pp. 4427, 4415

\$5 million set forth in section 1 of this resolution as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project. The Secretary, with the cooperation of the Crow Tribe of Indians, shall proceed with all dispatch possible to carry out the provisions of this resolution to the end that construction of Yellowtail Dam shall be initiated promptly: *Provided*, That for the protection of the Crow Indians, fees and expenses of counsel for the Crow Indian Tribe in connection with the settlement of claims related to Yellowtail Dam right-of-way shall be approved by the Secretary of the Interior and in no event shall exceed 1 percent of the net amount paid under authority of this resolution.

Mr. JOHNSON of Texas. I should like to say for the information of the Senate that the majority leader asked for consideration of this joint resolution several days ago. At that time the minority leader wished to check with certain minority Members. I am informed that he has completed his check, and that there is no objection to following the procedure which is suggested by the joint resolution.

The senior Senator from Montana [Mr. MURRAY] is prepared to make an explanation, as is the junior Senator from Montana [Mr. MANSFIELD]. I understand that certain minority Members may wish to make suggestions. Therefore I yield the floor.

Mr. MURRAY. Mr. President, Senate Joint Resolution 135, as amended, was ordered reported without a dissenting vote by the Senate Committee on Interior and Insular Affairs after thorough consideration of the several vital features of the measure.

The committee's report No. 1626 has been printed. It sets forth the text of the resolution and the amendment in the nature of a substitute under the resolving clause.

Briefly, the purpose of the resolution is to end a long standing controversy between the Crow Indian Tribe in Montana and the Department of the Interior over compensation to the Crow Indians for consenting to the transfer of title to land required for the site of Yellowtail Dam and powerplant and the reservoir. This development program was authorized by the Flood Control Act of 1944. More than \$2½ million has been spent for investigation and preliminary plans.

The resolution authorizes and directs the Secretary of the Interior to accept the offer of the Crow Tribe for \$5 million compensation for its consent to the transfer to the United States of the right-of-way required. In return, it is the intent of the resolution that all rights, title, and interest of the Crow Indians in the right-of-way land shall be transferred to the United States by the appropriate processes which carry approval of the Congress. Certain reservations are provided for mineral rights and recreational purposes to be retained by the Crow Indians.

Funds are available, out of appropriations to the Missouri River Basin project and no additional appropriation is requested. The Secretary of the Treasury is directed to transfer the \$5 million

from funds previously appropriated to the Missouri River Basin project. There is ample precedent for authorizing this payment on the part of both the Government and private power companies for power site values on Indian land, as set forth in the report.

Cooperation on the part of the Crow Indians and the Secretary of the Interior is urged to effect promptly the transfer of title to the United States when the funds in the Treasury are placed to the credit of the Crow Tribal Council. In the meantime, the Crow Tribal Council is also urged to provide immediate right of entry so that preliminary work on the dam can be started promptly.

The Senate, of course, is aware that the Congress last year appropriated \$4 million specifically to start Yellowtail Dam construction. The President has recommended \$10,850,000 in the 1957 budget to continue construction. Therefore, the Crow Indian Tribal Council, the President, and the Congress are united in favor of building the dam.

The terms of the resolution are simple and direct and it is expected that the executive departments will carry out the provisions with the cooperation of the Crow Tribal Council.

The report sets forth the fact that the Kerr Dam, which was built in Montana some years ago, was on Indian land. At that time the Indians were paid something like \$7 million for the land. It was not as much land as we are receiving from the Crow Indian Tribe in this instance. As I say, there was no objection to the approval of the joint resolution in the committee. It was approved by a unanimous vote of the committee, and I think it should be passed.

Mr. MANSFIELD. Mr. President, I wish to compliment my distinguished colleague for stating the facts as succinctly and clearly as he has stated them. I also wish to compliment him for the fine continuous work which he has done in behalf of this project, which, as he has pointed out, was first authorized in 1944. It is of exceedingly great interest to the States of Montana and Wyoming. It required 10 years to get the first appropriation. What we are doing now is in accord with the wishes of the Crow Tribal Council in the Crow Indian Tribe.

I hope the joint resolution will be passed, so that we can complete this leg of the journey toward completion of the Yellowtail project, which will mean so much to the people of southeastern Montana, the Crow Indian Tribe, and the people of northern Wyoming.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, which is a complete substitute for the original text of the joint resolution.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming."

The preamble was agreed to.

Mr. MURRAY. Mr. President, I move that the vote by which Senate Joint Resolution 135 was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. ANDERSON. Mr. President, I call up my amendment designated "3-15-56-E."

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 31, beginning at line 11, it is proposed to strike out that line and the rest of the page, and to strike out all of pages 32 and 33. On page 34, it is proposed to strike out lines 1 through 18.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 30 minutes, or so much thereof as he may choose to use.

Mr. ANDERSON. Mr. President, I yield myself 10 minutes.

This is an old story, in which certain Senators ought to be interested. This is a subject which we discussed on the floor of the Senate for hours only a couple of years ago.

Because of the working of the minimum-acreage laws, this provision in the bill transfers certain acreage from certain States and gives it to certain other States. It develops that States like California, Arizona, Texas, New Mexico, Arkansas, and Missouri would lose substantial acreage under this provision, and that acreage would be gained by the States of Alabama, Florida, Georgia, North and South Carolina, and Tennessee.

My only point has been that we have been pretty generous on the question of cotton acreage during this discussion. The able junior Senator from Mississippi [Mr. STENNIS] presented an amendment to leave cotton acreage where it was for 1957 and 1958. The allocation has already been made for this year. If we were to proceed to do that, we would avoid getting into squabbles and storms.

I think it is a mistake to introduce a 1 percent national reserve, and try to reallocate on the basis of small farms. I realize that there are more small farms in what might be called the Deep South than there are in areas such as the Delta of the Mississippi, west Texas, New Mexico, Arizona, California, Oklahoma, and even the State of Nevada. The State of Nevada has only a few hundred acres of cotton; yet this provision would take 23 acres away from it, and push it further into a difficult position. I have twice advocated that in reallocating cotton acreage we should give the State of Nevada an annual minimum sufficient to permit it to have a cotton-gin mill.

Mr. BIBLE. Mr. President, so long as the distinguished Senator from New Mexico has mentioned my State of Nevada, let me say that we are very much interested in obtaining enough acreage

to permit us to have a cotton-gin mill. At the present time, we have approximately 2,400 acres in cultivation. We are asking for an additional 1,500 or 1,600 acres, so that we shall not be compelled to transport the cotton some 200 miles, at great expense, into the State of California.

It was frozen by the Agricultural Act a number of years ago, and I am somewhat disturbed to find that for the first time, we are losing acres; and although the amount involved is small—we are losing 23 acres—it is just cause for concern.

Mr. ANDERSON. When the Cotton Allotment Act of 1949 was introduced, I was the sponsor of it. At that time we tried to put enough cotton into Nevada so that it could have its own cotton gin. We put a minimum figure in there for that particular allotment, but subsequently when the cotton acreage was shrunk, it put them in bad shape. I refer now to the State of Texas. It has the largest cotton acreage of any State in the Union. The amendment would take 74,109 acres from Texas as its contribution to the national reserve, and return to Texas 20,400 acres, a net loss of 55,000 acres.

Mr. STENNIS. Mr. President, will the Senator yield briefly?

Mr. ANDERSON. I yield.

Mr. STENNIS. The Senator mentioned figures with reference to Texas. Is it not also correct to say that under the natural migration of these acres from the East to the West, under the operation of the present law, which we will not change, Texas will gain acreage every year?

Mr. ANDERSON. Oh, yes.

Mr. STENNIS. If the Senator will permit me to do so, I should like to read figures which show that Texas would gain next year 139,000 acres under that provision, and that would be a natural gain under the historic change.

Mr. ANDERSON. I am sorry to say that I do not know where those figures come from. I do not know how the figures are arrived at. However, I say that whatever Texas gains on that basis she gains lawfully and legally and in a perfectly proper fashion. I do not believe that we should offer an amendment at this time which would take one acre away from Texas. What she gets she gets in observance of the present law.

By the same token, the State of California, which is also expanding its cotton acreage, under this legislation would be asked to give up 7,824 acres, and would get back perhaps a thousand acres under the new division.

Mr. STENNIS. I shall not ask the Senator to yield again, but I have some figures showing what California would gain under the present law.

Mr. ANDERSON. I point out that whatever California gains under the present law she gains by virtue of the fact that when we applied acreage limitations California had a large acreage devoted to cotton. We had to put special gadgets in the 1949 law to soften the blow. California had more than a million acres in cotton. She was cut down by approximately 600,000 acres. She gave up that amount of acreage, recog-

nizing the fact that there would be an accretion to her as we developed the cotton history and as she had a chance to regain some of the acreage.

I point out that to come here now with an attempt to prevent California from benefiting under these developments would be a rather peculiar circumstance. California gave up more acreage, perhaps, than any other State.

Arizona followed the same course. We had to recognize that fact when the Control Act of 1949 was enacted. I should like to say that that act was not put on the statute books quickly or hastily. We held long, long meetings all through the Cotton Belt. The first meeting was held, I believe, in Bakersfield, Calif. Another meeting was held at Fort Worth, Tex. Still another meeting was held in the Deep South area. All the farmers, after long work, were brought together into an understanding that they would shrink the acreage of certain States and expand it in other States, and in that way make it possible for us to enact a cotton bill. It took an almost endless amount of work to bring that about. I say very frankly to the Senate that I have spent many hours on it.

We had thought that it would be impossible ever to bring cotton acreage under control. We had an old law under which it was not possible to shrink the cotton acreage below 27 million acres. Today we have surpluses of cotton with 17 million acres. We can readily see what the effect on the cotton economy and on the economy generally would have been if we had stayed with that provision.

We put into the law a provision which permits a State, if it desires to do so, to reserve a portion of its acreage and devote it to small farmers. The State of Arkansas, which would be punished, has done so. I cannot imagine any sound reason why Arkansas should be punished because its triple A has done what the law says should be done.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. EASTLAND. There are several States which could not set aside enough reserve to take care of the small farmer.

Mr. ANDERSON. That I readily concede.

Mr. EASTLAND. Those States would be Florida, North Carolina, and Tennessee, I believe.

Mr. ANDERSON. That is correct. I agree with the Senator that it is not possible for every State to work out its cotton problem exactly. I only point out that this is no time to come into the Senate to try to switch acres around to suit peculiar circumstances. The cotton people are, or should be very happy that they have been allowed to have cotton acreage frozen for 2 years at a figure which will produce approximately 3 million bales of cotton more than the Secretary of Agriculture would ask them to grow if this provision had not been adopted. We will export every one of these bales of cotton at a loss of perhaps \$40 a bale. A loss of \$120 million under this plan is sufficient. We ought to stop right there. It is dangerous in

the extreme to open this question, because it may prove highly explosive.

Mr. STENNIS. Mr. President, will the Senator yield very briefly?

Mr. ANDERSON. I yield.

Mr. STENNIS. I am sure the Senator understands, in referring to a refiguring of acreage allotments that this provision which the committee has put into the bill would not change the acreage allotments during the year 1956, and there would be no refiguring for that purpose.

Mr. ANDERSON. Exactly; I would agree to that.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSON of Texas. Would the Senator from New Mexico explain to me what effect the bill as now written would have on Texas and how his amendment would change it.

Mr. ANDERSON. I am happy to do so because the distinguished majority leader has asked me, as a member of the Committee on Agriculture and Forestry from my part of the country, to try to watch the situation in Texas, New Mexico, Arizona, and California. It would take 74,109 acres from Texas and return to Texas 20,000 acres.

Mr. JOHNSON of Texas. Where would the other 50,000 acres go?

Mr. ANDERSON. To the States of Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

Mr. JOHNSON of Texas. On what theory would that be done?

Mr. ANDERSON. On the theory that Texas has 7 million acres, and that taking 50,000 acres away would not hurt. After 5 years it would amount to a half million acreage shrinkage in the State of Texas. All I am trying to say to the distinguished majority leader and other Senators is that this is a very poor time to start trying to redivide the cotton acreage of the United States.

Mr. JOHNSON of Texas. I thank the Senator. I hope he will not use all his time.

Mr. ANDERSON. I will not use all my time.

Mr. JOHNSON of Texas. I make that suggestion so that the full membership of the Senate may be heard before we vote on the amendment.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes. As the distinguished Senator from New Mexico has said, this matter has been under discussion from time to time during the past 4 or 5 years. It will be recalled that when the original Agricultural Adjustment Act was passed, in 1938, there was a minimum acreage allotment of the smaller of 5 acres the highest acreage planted in any of the preceding 3 years provided for cotton farmers. As time went on much of that acreage was not planted. In 1949 we applied the historic basis to the acreage allotment program on a discretionary basis, and many small farmers—the ones who had very small acreage—lost the little they had when that alternative was followed.

There is without question a problem in a number of the Southern States where the acreage of many farmers has

been reduced to a point where it is uneconomical for them to continue to produce cotton.

Mr. President, the provision of the bill which this amendment would strike is in the nature of an equitable approach to the solution of a problem which is destroying the small farmers and tenant farmers of the cotton-growing South. The Deep South has been the traditional cotton-producing area of our Nation. The States which would benefit most from the committee provision are those States which have the highest proportion of small cotton farms, and which, incidentally, are the States that have been producing cotton since the early days of our Nation.

As the Senate knows, the present acreage allotment program is working a severe hardship upon small cotton farmers. Their land upon which they are allowed to produce cotton has, in many cases, been cut to almost the vanishing point. As a result, we are facing a severe social problem, as well as a most serious economic problem, in the historic Cotton Belt. These small cotton farmers are, to be blunt, being allotted off their land, and into semistarvation. Many of them are going to lose their lands, unless we give them some relief.

This provision of the committee bill, the provision which the Senator from New Mexico would strike, was placed in the omnibus farm bill purely and simply as a means of doing equity to these small farmers. They are in a critical position, through no fault of their own. Their acreages are constantly being reduced—first and foremost because the large, new cotton States—and Arkansas and Texas are two of them—are moving into really big cotton production. Thus, the national allotment has to be spread thinner and thinner in the historic cotton States.

This provision would do no violence to anyone; it would, however, bring at least a semblance of relief to our hard-pressed small farmers. It, in effect, says to the large and new cotton States that in order to prevent hardship in the historic cotton-producing areas, in order to make a start toward giving each farmer a minimum of 4 acres—and 4 acres is not much, Mr. President—they would be required to give up to a national reserve a total of 1 percent of their total State acreage allotment. All cotton States would do so; some, those in need of help, would be allocated back more than they placed in the national reserve in order to relieve hardships. The other States would wind up with a net loss—but the net losses involved are small, when compared with their contribution toward the relief of the small farmer.

The committee gave careful study to this provision, Mr. President. It was discussed often and at length. We voted to place it in the bill, not as a penalty imposed upon the newer cotton States, but in the nature of a reasonable means by which those who have received so much in recent years would come to the assistance of those who now find themselves with so little. The contributions of States to this national reserve would be upon the same basis—each would con-

tribute 1 percent of its total allotted cotton acreage. From this "fund," from this national reserve, it would be possible for us to give some relief to the really small farmers—to the tenant farmers—to the really "little men" who are being starved out of existence simply because their historic plantings are not enough to bring them the minimum acreage from which to earn even a subsistence living.

I urge the Senate to defeat the amendment of the Senator from New Mexico. Goodness knows, the small farmer has little enough in this bill. Let us not strike out this provision, too, which simply attempts to make it possible for a small cotton farmer in a historic cotton State to grow enough cotton to buy his bread for his family.

If this entire farm bill has a heart, Mr. President, it is encased in this small farm section. This is the place in the bill that we find equity in its most concentrated and pure form; this is the place in the bill from which the small farmer, the really small farmer, would receive help. It must not be defeated, Mr. President. If it is, the Senate has served notice that it is willing to throw the most helpless segment of our already-burdened farm population to the economic wolves.

In order to demonstrate net losses and gains that will result to cotton States from the small farm section, Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a table showing estimated 1957 State allocations of national 1 percent reserve for minimum farm allotments.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated 1957 State allocations of national 1 percent reserve for additional acreage for minimum farm allotments pursuant to S. 3183

State	State allocation from national reserve ¹	State contribution to national reserve ²
Alabama.....	27,900	10,252
Arizona.....	200	3,436
Arkansas.....	9,900	14,245
California.....	1,000	7,824
Florida.....	3,400	370
Georgia.....	18,100	9,032
Illinois.....	100	31
Kansas.....	0	0
Kentucky.....	300	78
Louisiana.....	8,500	6,109
Mississippi.....	21,400	16,466
Missouri.....	2,300	3,781
Nevada.....	0	23
New Mexico.....	500	1,794
North Carolina.....	20,400	4,839
Oklahoma.....	6,600	8,456
South Carolina.....	13,900	7,262
Tennessee.....	17,200	5,635
Texas.....	20,400	74,109
Virginia.....	1,900	171
United States.....	174,000	173,913

¹ Estimates based on additional acreage needs developed for similar purposes in connection with 1956 acreage allotments on the assumption of (1) apportioning 100 percent of county allotments to farms and increasing farm allotments to the larger of 4 acres or 80 percent of the highest planted acreage for the 3 years 1953, 1954, and 1955, and (2) a 1957 national acreage allotment of 17.4 million acres, or the same as the 1956 national acreage allotment.

² 1 percent of the 1956 State acreage allotment. The 1956 allotments used here for purposes of comparison, since 1957 State allotments have not been determined.

Mr. ELLENDER. Mr. President, the table shows, with reference to the State of Arkansas, that Arkansas would receive 9,900 acres under the 1-percent allotment, and would lose 14,240 acres in the distribution. There is a net loss involved of almost 5,000 acres for the State of Arkansas.

With respect to the State of Texas, as has been brought out by my good friend, the majority leader, under the proposal to allocate 1 percent of a State's acreage to the national reserve, Texas would receive 20,400 acres and lose 74,109 acres, a net loss of 53,709 acres.

As has been stated by the distinguished Senator from Mississippi, in the past 4 or 5 years the trend has been that the States of Texas and Arkansas and many of the States of the Far West have gained considerably in acreage. In the Southern States farmers have been growing cotton from almost time immemorial. They have planted to almost their capacity, and in that way they have lost much of their acreage.

Mr. President, I now yield 10 minutes to my colleague from Mississippi [Mr. STENNIS].

Mr. JOHNSON of Texas and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, I ask especially for the attention of the Senators present, because even though the acreage involved is very small, this provision which has been included by the committee will affect more than 2 million persons. It involves only 150,000 acres of cotton lands in the allotment, but it will directly affect in its application more than 2 million persons.

Let me say in the beginning, Mr. President, that this is not a contest between States. If it were, the amendment never would have been presented to the committee, and I am sure the committee would not have voted for its inclusion in the bill. It is a committee amendment, and it comes before the Senate with the recommendation of a majority of the members of the Senate Committee on Agriculture and Forestry who know the problem backward and forward.

It is merely provided that there shall be a 1-percent national reserve of cotton acreage held out before it is distributed to the States, and then that 1 percent shall be used where needed, regardless of State lines, for the benefit of the very, very small independent farmer in bringing his acreage up to a minimum of 4 acres, or the highest acreage he might have planted for one of the last 3 years. That may have been only 2 acres. In that case, he will receive only 2 acres.

Mr. President, until 3 years ago there was a provision in the law which applied to the very, very small farmer, and which kept him from having his acreage reduced below 5 acres. The law was changed in a conference report which was never debated on the floor of the Senate, and the effect of it was literally to reduce the living standard of the very small farmer, running him off his own land. Those people are not migrants or indifferent tenants; they are homesteaders. In many instances their an-

cestors lived on the farms more than 150 years.

The provision which the committee placed in the bill is based solely on the social problem involved and on the humanitarian principles which apply. Senators from the great wheat area have a provision which keeps the small wheat farmer from being submerged, and there is a corn provision which protects the corn farmer. The same is true as to peanuts. This involves a humanitarian principle, Mr. President. There are 407,000 farms affected. Figuring 5 persons to a farm, there are over 2 million persons involved, and they are scattered throughout the entire cotton area.

Their fate hangs upon the vote on this amendment. Within a few weeks we shall hear powerful pleas in this Chamber for the little people of the Middle East, for the little people in Europe, for the little people all over the world.

But the little people of America—white and black—are represented here on the floor of the Senate today, asking Senators not to chase them off their own land. That is exactly what the application of the present cotton law is doing to the little people in these great areas. Their plea is not opposed by the Department of Agriculture; it is not opposed by the committee. When they came before the committee, to get the ear of the committee, so as to have this humanitarian principle voted upon in the Senate, their request is challenged on the floor of the Senate. The claim is made that acres are being taken away from one State and are being given to another. My point is that the acres do not belong to any State. They belong, first, to the people—the people who lease the land and live on it; who cultivate it and rear children on it. Theirs are the kind of homes from which come the boys who are chosen by the Selective Service. Theirs are the homes who supply the privates first class, the corporals, and the sergeants. Those people are being driven off the land. I know that of my own personal knowledge.

Mississippi will gain very few acres under this provision in the bill. Mississippi will gain only between 5,000 and 6,000 acres. But those acres will be located where they mean the most. Even if a person gets his acreage built up to four acres of that type of land, under the proposal in the bill, he will do exceedingly well to make three bales of cotton. He will do exceedingly well to make a net profit of \$50 a year on those bales. That will be the profit for the year on that little farmland, after it has been built up to four acres; and it will not be built up that far with only \$150 as the income for a year.

Mr. President, compare those earnings with the earnings of a man working in an industrial plant at \$1 an hour, the lowest scale of wages, and working only 4 weeks a year. Such a person would make \$160.

Suppose the Senate was considering a bill which provided that the factory workers in Detroit—the little factory workers in Detroit—shall not be allowed to work more than 4 weeks a year. Do Senators think that such a bill would pass? The provision in the bill as approved by the committee merely makes

certain that the little people will not be smothered. It allows them to work on their own plan at a bare minimum—not up to 4 acres a year, no; simply up to the largest planted acreage in 1 of the last 3 years.

If Senators will pardon me for a personal illustration, during the depression I represented a rather large estate that had mortgages and deeds of trust on many, many pieces of land. One of those who owed money to the estate was a Negro woman who had a little farm of about 30 acres. When cotton was selling for 4.8 cents a pound, she nevertheless managed to pay her taxes on the land, and every year she would make some kind of cash payment on the interest or principal. Sometimes the payment was as little as \$10 a year. But she hung onto that land, she and her children, and finally paid out the mortgage.

I stopped at her farm not many months ago. To my amazement, I found that under the operation of the law, that poor woman had had her entire homestead reduced to about 2.8 acres. The little patch of land which is left will not make 2.8 bales of cotton.

The operation of the law in its present state actually is designed to drive persons such as that woman away from their land. It is now proposed to say that this shall be a State proposition, and to take acreage from one State and give it to another.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield an additional 2 minutes to the Senator from Mississippi.

Mr. STENNIS. The provision in the bill will prevent acres from being taken away from areas where they should remain. I do not see how Senators can stand here and cut the foundation from under that vast group of small farmers, and then talk about displaced persons in foreign countries, foreign aid, and a host of other humanitarian projects, about which we hold ourselves up to the world as being so generous.

Our own displaced persons are, in effect, coming upon the floor of the Senate today, not asking for favors, not asking for generosity, but asking for some kind of minor, minimum protection whereby they can continue to live and to continue to cultivate the land they own and the land they love.

I appeal to every Member of the Senate to consider the merits of this matter, and to vote to keep in the bill this great humanitarian, social principle.

I shall make one more point. The operation of the provisions in the bill would tend to affect the historical basis for the allotments for future years in each State. I have an amendment already prepared, which I intended to offer had not this question come up—and I shall offer it anyway at the proper time—providing that the historical basis for each State's allotment in the years hereafter will not be affected. Under the present law there is a general migration, so to speak, of acres from the East to the West. I shall propose an amendment to the committee bill which will

preserve the status quo of the Western States in whatever situation or advantage they may now have in the operation of the present law.

The amendment which is under consideration does not add a single acre to the national cotton acreage; it merely eliminates the mere pittance which the small cotton farmers now have.

The PRESIDING OFFICER. The time of the Senator from Mississippi has again expired.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished senior Senator from North Carolina.

Mr. ERVIN. Mr. President, the amendment would take away a few square feet of the surface of the Lord's earth and would give it to the most helpless of God's children. The amendment would affect the lives of approximately 2 million persons, who are the most helpless of God's children. The only thing they would get would be the right to plant cotton on the amount of acreage they had for the past 3 years; and in no event could they get more than a maximum of 4 acres.

These people have no way in which to get any money for medicine or for food, or with which to pay their taxes, or for any other purpose, except from their little patches of cotton.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. ERVIN. Yes, I yield.

Mr. EASTLAND. If the provision shall stay in the bill, what State will be hurt?

Mr. ERVIN. No State will be hurt; but about 2 million of the most helpless of God's children will be helped.

Mr. EASTLAND. That is true. But if no State will be hurt, and no quota will be hurt, why not leave the provision in the bill?

Mr. ERVIN. That is what I urge. The matter was considered at length in the committee, and the committee reported the bill containing this provision.

In my State, there are about 48,000 cotton growers who have less than 4 acres each. Their families, including their wives and children, number in the neighborhood of 250,000. They have no other way in which to get money except by planting cotton. They do not know anything else to do.

We hear much talk about the little man. If the United States Senate wants to help the little farmers, if he wants to help people who cannot help themselves, then it will have to stand by the committee and let a few square feet of the surface of God's earth be given to aid the most helpless of God's children.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. ANDERSON. Did the Senator say that no State would be hurt by this provision? I do not think he should make such a statement on the floor of the Senate. Will not 50,000 acres be lost in Texas?

Mr. ERVIN. The planters of Texas will not be hurt to the extent that many of the helpless people in my State will be hurt. Most of the people in my State who operate the cotton farms are

colored people. This provision is one way in which to help them. If we shall change the law so that it will no longer be economical to operate little farms, those people will be left without an avocation in life.

If anybody is going to be hurt, let somebody other than these little people get hurt. Let the big men give up something.

Mr. ANDERSON. Mr. President, I yield myself 2 minutes, so that I may comment on the Senator's last statement. The law of this country allows any State committee, which so desires, to set up a reserve, up to 10 percent, to take care of the small farmers. If people's hearts are bleeding so for the small farmers, why not let them bleed a little bit before the State committees, which have refused, in many instances, to make allotments to small farmers? I think it is pretty bad when it is said that this is a proposal to give a few acres to a few poor people, when all one has to do is look at the law and see that the State committees can set aside those acres, if they feel so sorry for the individual farmers.

This is nothing else but an attempt to move acreage by a minimum acreage device.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Mississippi.

Mr. EASTLAND. Mr. President, if the provision remains in the bill, no State will lose enough acreage to injure the cotton economy of that State. It is true that the State of Texas would lose 53,000 acres under the provision which the committee placed in the bill, but it is also true that, if I remember the figures correctly, Texas would get about 40 percent of the national cotton allotment; in other words, 40 percent of 17 million-odd-thousand acres. Fifty-three thousand acres would not mean anything.

The statement was made by my good friend, the distinguished Senator from New Mexico, that the matter should be taken up with the State committees. The fact is that some States, like Florida, North Carolina, and Tennessee, cannot withhold enough acres.

As far as the State of Mississippi is concerned, I do not think the provision would be of material benefit, because we would gain just 4,900 acres in the State of Mississippi. But a social question is involved. We have hundreds of thousands of people, at the bottom of the economic ladder, who cannot get enough acreage to enable them to buy bread and who cannot get the necessities of life. The provision would enable them to stay on the land and earn their bread in an honorable manner.

I repeat, the committee put the provision in the bill. If the provision remains in the bill, no State will be appreciably hurt. No single farmer will be injured, in my candid judgment. But there are hundreds of thousands of little people, at the bottom of the economic ladder, to whom the provision will mean the difference between bankruptcy and a living.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished senior Senator from Alabama.

Mr. HILL. Mr. President, the distinguished Senator from New Mexico has spoken of the loss which Texas would sustain. Texas has approximately 40 percent of the entire national allotment. If the language as written in the bill, and as considered by the committee, and as put into the bill by the committee, remains in the bill, Texas will lose only seven-tenths of 1 percent of its allotment.

As the Senator from Mississippi has so well said, there are a number of counties and there are a number of States that simply do not have the allotment to meet the situation with its compelling needs. So the committee, after weighing the matter, recognized the fact that if the provision were not put in the bill, there would be displaced 2 million farm people, and over 400,000 farms would be wiped out. As Senators have stated in this debate, they are little people. All they have is a small pittance of acreage, which we are today trying to hold for them.

Do not forget, Senators, if you wipe out these farm families, it also means the destruction of community churches, community schools, and small community stores. Not only would the amendment wipe out farm families, but it would wipe out splendid, God-fearing rural communities in many States. Let us not forget that these rural communities, through the decades, have been the wellsprings that have provided the intellectual, the moral, and the spiritual strength that has contributed so much to the building of the greatness of our country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished senior Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, the amendment would strike from the committee bill a provision which would care for small cotton farmers having 4 acres and less, in this manner: It provides that 1 percent of the national cotton allotment throughout the United States would be used for small farms having 4 acres and less of cotton acreage. When I say "less," I point out that many of the farms have less than 4 acres. A great many of them have 2 acres, 2½ acres, 3 acres, and 3½ acres. The provision would care for the small farmers of this Nation.

In these days and times, we hear a great deal of talk about our desire to help the little farmers. If anyone wants to help the little farmer, he has the opportunity now to do so by voting against the amendment to the committee provision. The committee made an extensive and profound study of this matter, and came to the conclusion that the best way to work out the problem was to have this provision in the bill. At one time the committee had before it a proposed amendment to add 2 percent, but some of the committee did not wish to add too much acreage to the United States allotment and thus build up our surpluses. The provision under discussion would not build up the surpluses. In my opinion, it would cut down the surpluses. The reason I say that is that it will be found

that in this very last year, throughout the United States, the big farmers made a greater average amount an acre than did the small farmer. So, in a way, the provision would cut down the amount of cotton which would be produced, and at the same time would help the little farmers who need help. Goodness knows, they not only need the help, but they need to be encouraged to stay on the farm.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. JOHNSTON of South Carolina. So I urge Senators to vote against the amendment.

Mr. ELLENDER. Mr. President, I yield the Senator from Georgia the remaining time on the amendment, which is 1 minute, and I also yield him 4 minutes on the bill.

Mr. RUSSELL. Mr. President, I think I am aware of the forces that are in control of the Senate at the present time so far as the proposed legislation is concerned. I have been associated with those who have been defeated on a number of propositions. With that I have no complaint, but I am heartsick at the prospect that the provision now in question will be stricken from the bill.

We have heard within the past several weeks statements and figures of the hundreds of thousands of people—yea, millions—in this country whose cash income is less than \$1,000 a year, in the midst of the greatest abundance that any people under the canopy of heaven have ever enjoyed.

Every person affected by this amendment is in that group whose cash income is less than \$1,000 a year. In this case we are dealing, Mr. President, with persons whose cash dollar income is around \$300 to \$500 a year. We are dealing with little people, people who have 10, 12, 15, 18, or 20 acres of land, who raise several hogs, have a garden spot, have a few hens and a cow, and look to the pittance they obtain from their cotton to enable them to clothe themselves and to see to it that their children can hide their nakedness and go to school.

Mr. President, if the purpose of the bill is, throughout, to complete the liquidation of the family-size-farm operations, this amendment gives Senators a chance to strike the strongest blow in that direction. But I am one of those who think that the family-size farmer is one of the most valuable assets of America. I think the family-size farmers give our Nation a spiritual value which cannot be found in the teeming cities. There is something to the man who communes with God and with nature's God on the farm, that brings him a little closer to God. Some may call the section in which those farmers live the "Bible belt," if they wish. These farmers are not ashamed of that designation.

But, Mr. President, this amendment will speed the time when there will be no family-size farms, but only "farm factories" controlled by the very rich farmers or by the corporate farming interests.

Mr. President, we hear a great deal here about doing something for the

Negro people. I wish to say that, insofar as my State is concerned, more than half of those who will be affected by this amendment are Negroes. The National Colored People's Association is not raising its voice against this amendment because it has little interest in that type of Negro. But this amendment will bring those Negro people to an economic problem that will be insoluble—if they only have an acreage allotment of 1 acre or 1½ acres of land. They cannot possibly exist with so small an amount of land, and they cannot find the means with which to clothe themselves. As a result, they are leaving the farms. Today they are leaving by the thousands for the towns and cities and other sections of the Nation because of the fact that the pressure on their acreage allotments is driving them from the little farms they have sacrificed so much to be able to own and that afford them their homes.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. ELLENDER. Mr. President, I yield 1 more minute on the bill to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 1 minute on the bill.

Mr. RUSSELL. Mr. President, this amendment will force many more of those little people—by the tens of thousands—to leave their small farms where they have developed their homes. Eventually those people will be driven onto the welfare rolls, and thus they will cost the several States and the Nation tens of millions of dollars. Today, these little people have only enough to eke out a pitiable existence with a couple of hogs, a cow, and a garden spot from which they obtain much of the food they eat, and also the means of feeding their hogs; and this provision will allow them a pitifully small patch of cotton from which they can obtain a cash return of \$200 or \$300—sufficient to enable them to purchase clothing for themselves and to have enough means to prevent their children from being naked.

Mr. President, this is as important, a humanitarian question as has ever confronted the Senate. I appeal to the Senate to preserve the homes and livelihood of these little farmers.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. ANDERSON. Mr. President, I yield 4 minutes to the Senator from California [Mr. KUCHEL].

The PRESIDING OFFICER. The Senator from California is recognized for 4 minutes.

Mr. KUCHEL. Mr. President, I shall support the amendment proposed by the Senator from New Mexico. I shall do it in great part because, as has been previously stated, the law today on the statute books gives to any State which wishes to take into consideration the plight of the poor who happen to be farmers, complete opportunity to right the wrongs which may exist under the acreage allotments.

In that connection, I wish to read a portion of the present law, namely, sub-

section (e) of section 344 of the Agricultural Adjustment Act:

The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsections (b), (c), and (d) of this section—

Then, Mr. President, listen to this:

Provided, That the State committee may reserve not to exceed 10 percent of its State acreage allotment (15 percent if the State's 1948 planted acreage was in excess of 1 million acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for trends in acreage, for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms, or to correct inequities in farm allotments and to prevent hardship.

Mr. President, if there has been any hardship, if inequities have occurred under the national acreage allotments, I respectfully suggest that the Congress of the United States in its wisdom has given authority to correct those injustices and those hardships; and the authority is vested in the State committee in every State. There is where the responsibility rests. That is where it ought to rest.

Mr. President, it is wrong now to ask the Congress to adopt the language presently in the bill; and it seems to me that the Senator from New Mexico has suggested the sound basis upon which to proceed—namely, to continue placing the responsibility to correct inequities where it is now, and to indicate to the States involved that they have a power, apparently an unused power, which they ought to exercise.

Mr. President, I hope my brethren will support the amendment offered by the Senator from New Mexico.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from New Mexico wish to yield any time?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at this time there may be a quorum call, without charging to either side the time required therefor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Douglas	Jenner
Allott	Duff	Johnson, Tex.
Anderson	Dworshak	Johnston, S. C.
Barkeley	Eastland	Kennedy
Barrett	Ellender	Kerr
Beall	Ervin	Knowland
Bennett	Flanders	Kuchel
Bible	Fulbright	Laird
Bricker	George	Langer
Bridges	Goldwater	Lehman
Bush	Gore	Magnuson
Butler	Green	Malone
Byrd	Hayden	Mansfield
Capehart	Hennings	Martin, Iowa
Case, N. J.	Hickenlooper	Martin, Pa.
Case, S. Dak.	Hill	McCarthy
Chavez	Holland	McClellan
Clements	Hruska	McNamara
Cotton	Humphrey	Millikin
Curtis	Ives	Monroney
Dirksen	Jackson	Morse

Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell

Robertson
Russell
Saltonstall
Schoeppel
Scott
Smathers
Smith, Maine
Smith, N. J.
Stennis

Symington
Thurmond
Thye
Watkins
Welker
Wiley
Williams
Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished junior Senator from Mississippi [Mr. STENNIS] 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 1 minute.

Mr. STENNIS. Mr. President, a few moments ago I referred to the fact that there was another clarifying amendment to the bill which would insure that each State would preserve, under the present law, its historical basis for acreage allotment each year. Under the present law, there is a natural migration of acres from East to West. It is not the purpose of those interested in the committee provision to change that in the slightest. So if this provision remains in the bill, I shall immediately offer an amendment which I am sure will not be contested, and which will preserve the status of every State, so that it will not lose, from the standpoint of what we call the historical basis upon which acreage allotments are to be figured each year hereafter.

Mr. JOHNSON of Texas. Mr. President, I yield myself 2 minutes on the amendment.

The PRESIDING OFFICER. Does the Senator wish to speak in favor of the amendment?

Mr. JOHNSON of Texas. Yes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. JOHNSON of Texas. Mr. President, I do not believe that the rules of the game under which cotton acreage is divided among the cotton-producing States should be changed except in a cotton acreage bill. We have before us a farm bill.

I can understand the deep concern of my friends over helping the little farmer. I would be more impressed with their argument if they helped the little farmer out of the allotments they get for their States, instead of being willing to help the little farmers of their States out of an allotment taken away from my State.

As I understand the distinguished chairman of the Committee on Agriculture and Forestry, the desire to help the little farmer results in taking 74,000 acres away from Texas, and giving back 20,000. So there is a net change of more than 50,000 acres to help the little farmer. In a 10-year period that would amount to more than half a million acres. If that is to be done, it ought to be done in an acreage allotment bill.

The same thing applies to California. The same thing applies to many other States. I hope the Anderson amendment will be adopted.

Our State is one of the largest cotton-producing States. We have tried to take reasonably good care of our small farmers in our State allotment. We do

not think we should be penalized because some other State refuses to take care of its small farmers and comes here at the last minute saying, "Let us reach over into our neighbor's backyard and take away some of his allotment, to take care of our small farmers."

Half a dozen or more States would benefit by the provision in the bill. I think it is unsound. I think it is unfair. I hope the Anderson amendment will be agreed to.

Mr. HOLLAND. Mr. President—

The PRESIDING OFFICER. Time in favor of the amendment is controlled by the Senator from New Mexico [Mr. ANDERSON].

Mr. HOLLAND. I ask that someone yield me 2 minutes.

Mr. ANDERSON. Mr. President, I am happy to yield 2 minutes to the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, I do not believe any Senator will charge the Senator from Florida with having been unkind to the great States of California and Texas, because he stood on this floor for a great many days in the fight on behalf of the so-called tidelands bill, which has poured hundreds of millions of dollars into the treasuries of those States. It did not pour such money into the treasury of Florida, because there are no known oil or gas reserves in my State.

Furthermore, I wish to make it clear that so far as my State is concerned a provision such as is now contained in the bill is necessary for the welfare of the small cottongrowers. Those are the only kind of cottongrowers we have in Florida. We do not have any big cottongrowers in our State. We have only 37,000 acres in our allotment, and by dividing that among our seven-thousand-odd cotton farmers it would mean an average allotment of about 5 acres per farmer.

We have used our 10-percent State reserve in the way prescribed in an effort to take care of distress cases and small farms but the available acreage was wholly inadequate. We come here pleading for what we are entitled to have. We believe that the problem should be looked at as a national problem, because if our small cotton growers should go on relief the burden will fall partly on the whole country. We do not come as mendicants, because we pay much more than our per capita share in Federal taxes. We suggest that this is a national problem, and it is our hope that the committee's action will be sustained and that the amendment offered by the Senator from New Mexico will not be approved.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ANDERSON. I yield 2 minutes to the Senator from California.

Mr. KNOWLAND. I rise in support of the amendment offered by the Senator from New Mexico [Mr. ANDERSON]. I believe there exists a problem in the several States which have been mentioned by the Senator from Mississippi [Mr. STENNIS] with regard to small farmers, but, as has been pointed out by my colleague, the way to meet the problem of the small farmer is by the

allotment committees in the several States.

Mr. STENNIS. Mr. President, will the Senator yield briefly on that point?

Mr. KNOWLAND. We should not make a substantial change in the general acreage allotments relative to cotton as it affects the entire country.

Mr. STENNIS. Will the Senator yield briefly on that point?

Mr. KNOWLAND. I yield.

Mr. STENNIS. The Senator spoke about the States taking care of the small farmers. Does he not know that in more than one county in my State, as in many other States, there are not enough acres under the present allotment law to give every farmer in that county the minimum that we are talking about, because there just are not enough acres, and there are so many small farmers? The acreage has been reduced so low that there are not enough acres available.

Mr. ANDERSON. That problem should be solved where the majority leader and minority leader have suggested that it should be solved; namely, in the States.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ANDERSON. I yield back the remainder of my time.

Mr. ERVIN. I should like to ask the Senator from New Mexico if he could tell me how we could divide the acreage in North Carolina and cure the situation.

Mr. ANDERSON. I have already said that the North Carolina situation is bad, but that is not the only bad situation.

Mr. ERVIN. I do not see how we could cure the situation at the local level.

The PRESIDING OFFICER. The Senate will be in order. It is impossible to hear what Senators say.

Mr. JOHNSON of Texas. Has all time been used?

The PRESIDING OFFICER. The only remaining time is controlled by the Senator from New Mexico.

Mr. JOHNSON of Texas. Does the Senator from New Mexico yield back the remainder of his time?

Mr. ANDERSON. I have yielded back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired.

Mr. JOHNSON of Texas. Is the question now on agreeing to the amendment offered by the Senator from New Mexico?

The PRESIDING OFFICER. The Senator is correct.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Is it correct to say that the vote now comes directly on the Anderson amendment, which would strike out the provision in the bill inserted by the committee?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered. The question is on agreeing to the amendment offered by the Senator from New

Mexico [Mr. ANDERSON]. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Texas [Mr. DANIEL], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Louisiana [Mr. LONG] are absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent because of illness in his family.

On this vote, the Senator from Texas [Mr. DANIEL] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Tennessee would vote "nay."

The Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Ohio [Mr. BENDER]. If present and voting, the Senator from Alabama would vote "nay" and the Senator from Ohio would vote "yea."

On this vote, the Senator from Delaware [Mr. FREAR] is paired with the Senator from Louisiana [Mr. LONG]. If present and voting, the Senator from Delaware would vote "yea" and the Senator from Louisiana would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BENDER] is necessarily absent and on this vote he is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Ohio [Mr. BENDER] would vote "yea" and the Senator from Alabama [Mr. SPARKMAN] would vote "nay."

The Senator from Kansas [Mr. CARLSON] is detained on official business, and if present and voting, he would vote "nay."

The result was announced—yeas 46, nays, 43, as follows:

YEAS—46

Aiken	Curtis	Martin, Pa.
Allott	Dirksen	McCarthy
Anderson	Duff	Millikin
Barkley	Dworshak	Monroney
Beall	Goldwater	Payne
Bennett	Hennings	Potter
Bible	Hickenlooper	Purtell
Bricker	Hruska	Saltonstall
Bridges	Humphrey	Smith, Maine
Bush	Johnson, Tex.	Smith, N. J.
Butler	Kerr	Symington
Capehart	Knowland	Watkins
Case, N. J.	Kuchel	Welker
Chavez	Lehman	Wiley
Clements	Malone	
Cotton	Martin, Iowa	

NAYS—43

Barrett	Ives	Neuberger
Byrd	Jackson	O'Mahoney
Case, S. Dak.	Jenner	Pastore
Douglas	Johnston, S. C.	Robertson
Eastland	Kennedy	Russell
Ellender	Laird	Schoeppel
Ervin	Langer	Scott
Flanders	Magnuson	Smathers
Fulbright	Mansfield	Stennis
George	McClellan	Thurmond
Gore	McNamara	Thye
Green	Morse	Williams
Hayden	Mundt	Young
Hill	Murray	
Holland	Neely	

NOT VOTING—7

Bender	Frear	Sparkman
Carlson	Kefauver	
Daniel	Long	

So Mr. ANDERSON's amendment was agreed to.

Mr. YOUNG. Mr. President, I call up my amendment "3-6-56-D," and ask that it be stated.

The VICE PRESIDENT. The amendment offered by the Senator from North Dakota will be stated.

The CHIEF CLERK. On page 30, between lines 17 and 18, it is proposed to insert the following:

LIMITATION ON IMPORTS OF SURPLUS AGRICULTURAL COMMODITIES

SEC. 310. If at the beginning of any calendar year the Secretary of Agriculture determines that there is a surplus of any agriculture commodity in the United States, no such commodity, including products composed wholly or in chief value of any such commodity, shall be permitted to be entered, or withdrawn from warehouse, during any such calendar year which would cause the total quantity of such commodity entered, or withdrawn from warehouse, during any such calendar year, to exceed the annual average for imports of such commodity entered, or withdrawn from warehouse, during the 3 years immediately preceding such calendar year.

Mr. YOUNG. Mr. President, I yield myself 5 minutes.

Mr. President, the purpose of this amendment is to curtail imports of agricultural commodities to the level of the previous 3-year average, for commodities which are in surplus. We have greatly increased some of our imports in recent years. Imports of pork products have increased in the past 2 years. Over the years we have imported a great deal of grain. During the past 5-year period we have imported half a billion bushels of feed grains.

The half billion bushels of feed grain which were imported were not needed. We already had all we needed. The imports greatly contributed to our surpluses of grains, and lowered the price of feed grains. Lower feed grain prices in turn are largely responsible for present meat surpluses.

For the fiscal year 1954-55, 1,497,000,000 bushels of oats were produced, but only about 300 million bushels of this oats reached the terminal markets. Our imports for that year were 20 million bushels. Thus, 7 percent of all the oats reaching the terminal markets were of foreign origin.

Mr. President, I ask unanimous consent to have a table relating to the total production and the imports of oats and barley printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiscal year 1954-55

Oats:	Bushels
Total production.....	1,497,000,000
Left the farm to commercial channels.....	300,000,000
Imports	20,000,000

About 7 percent of the oats on the United States market were of foreign origin.

Barley:	Bushels
Total production.....	371,000,000
Left the farm to commercial channels.....	125,000,000
Imports	24,000,000

About 20 percent of the barley on the United States market was of foreign origin.

Mr. CASE of South Dakota. Mr. President, will the Senator from North Dakota give the figures on rye?

Mr. YOUNG. I regret that I do not have the figures on rye.

Mr. CASE of South Dakota. My information is that the United States production of rye in the fiscal year 1954-55 was 21,861,000 bushels. The importations were 3,448,000. Even as against the total amount, that is better than 15 percent; it is almost 16 percent of the rye imports. But if we eliminate from the amount which goes to market that which is fed, the percentage of rye imported would be tremendously high.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LANGER. I think later figures are available than those given by the Senator from South Dakota. Last year we raised about 23 million bushels of rye, and imported 12 million bushels.

Mr. CASE of South Dakota. Last year?

Mr. LANGER. Yes. I obtained those figures from the Secretary of Agriculture at a hearing before the committee.

Mr. CASE of South Dakota. I am glad to have that information, because it points up the real problem to which the amendment is directed.

Mr. YOUNG. I think barley is in an even worse situation. During the last fiscal year, 371 million bushels of barley were produced in the United States. Of that amount, 125 million bushels reached the terminal markets. Imports of barley into the United States were 24 million bushels, or 20 percent of all the barley reaching the terminal markets was of foreign origin. Whenever 20 percent of any commodity reaching the terminal markets is of foreign origin, it is bound to have a serious and adverse affect on the cash price of that commodity.

The main purpose of introducing the amendment is that if the soil bank works, it is thought it will, and if it increases the price of agricultural commodities, there will be more trouble with imports in the future than there is now.

What the amendment does it to limit the imports of any commodity which is in surplus to the average amount of the importations of the previous 3 years. I think most Senators are familiar with the situation.

I may say, however, that the House may object to an amendment which has to do with imports. I have consulted with our legislative counsel, and they have prepared a memorandum for me. They believe the amendment is germane.

Mr. President, I ask unanimous consent that the memorandum prepared by the legislative counsel may be printed at this point in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SENATOR YOUNG

This memorandum is in response to your inquiry as to whether an amendment drafted in this office for you to S. 3183, now pending before the Senate, is objectionable on the grounds that it is a bill for raising revenue within the meaning of the constitutional

provision that "all bills for raising revenue shall originate in the House of Representatives" (art. I, sec. 7, clause 1).

The time element involved prohibits a thorough examination of the question, and therefore, any conclusion reached in this memorandum must necessarily rest upon cursory research.

In order to determine whether the amendment in question is a revenue measure which may not originate in the Senate, it is necessary not only to determine what the purpose of the amendment is, but also how the amendment proposes to accomplish that purpose. The amendment reads as follows:

"SEC. 310. If at the beginning of any calendar year the Secretary of Agriculture determines that there is a surplus of any agriculture commodity in the United States, no such commodity, including products composed wholly or in chief value of any such commodity, shall be permitted to be entered, or withdrawn from warehouse, during any such calendar year which would cause the total quantity of such commodity entered, or withdrawn from warehouse, during any such calendar year, to exceed the annual average for imports of such commodity entered, or withdrawn from warehouse, during the 3 years immediately preceding such calendar year."

The apparent purpose of the amendment is to limit, by a specified formula, the quantitative imports of certain agricultural commodities. This action would be accomplished by the imposition of an embargo on such commodities when the imports of such commodities reach a certain predetermined limit.

Bills which impose taxes upon the people, directly or indirectly, or which lay duties or excises, are clearly revenue bills. However, bills for other purposes, which only incidentally create revenue, are not always held to be revenue bills within the meaning of the Constitution.

Assuming, as would appear to be obvious, that no argument can be made that the amendment in question has a primary purpose "raising revenue," the remaining possible contention is that by imposing a limitation upon the imports of agricultural commodities, customs and duties from the imports of such commodities will be reduced, thereby making the amendment a provision relating to revenue within the purview of the above cited constitutional provision.

No authority directly on the point has been found. However, Story says in discussing the revenue clause of the Constitution: " * * * the history of the origin of the power already suggested abundantly proves that it has been confined to bills to levy taxes in the strict sense of the words, and has not been understood to extend to bills for other purposes, which may incidentally create revenue." (I Story on the Constitution (fifth edition) sec. 880.)

There have been at least two Supreme Court cases sustaining measures originating in the Senate under the so-called doctrine of "incidental purpose." In *Twin City Bank v. Nebeker* (1897) (167 U. S. 196), it was held that the imposition of a tax upon the circulation of notes of national banks, upon their deposits, and upon their capital stock, by an act the primary purpose of which was to provide a national currency, did not make the act a revenue law. The Court, therefore, held that the act was not open to objection because it had originated in the Senate as the imposition of the tax was merely incidental to the main purpose of the act. Another case illustrating the same point is *Millard v. Roberts* (1906) (202 U. S. 429). In this case the statute authorized payments to certain railroads in the District of Columbia for elevating tracks, the construction of a station, and other improvements, the cost to

be levied and assessed upon the taxable property in the District of Columbia. The Court dismissed the argument that the act was unconstitutional as having originated in the Senate by briefly citing the *Twin City Bank* case and adding that "Whatever taxes are imposed are but means for the purposes provided by the act." Here again the provision for the tax was merely an incidental provision.

However, it should be noted that such opinions have not been looked upon with favor in at least one instance. Commenting on one of these cases, *Twin City Bank v. Nebeker*, Judge Hough in his opinion in *Hubbard v. Lowe* (1915) (226 Fed. 135), holding unconstitutional the first Cotton Futures Act because it was a tax measure and had originated in the Senate, observed: "It has sometimes required a good deal of mental strain to demonstrate that some piece of legislation originating in the Senate was not 'a bill for raising revenue'."

A circuit court of appeals case, *Bertelsen v. White* (1933) (65 F. (2d) 719), contains language which indicates that the court finds significant the fact that the section there in question, section 23 of the Merchant Marine Act of June 5, 1920, which altered the method of ascertaining the net income subject to the war-profits and excess-profits taxes imposed by title III of the Revenue Act of 1918, had the effect of diminishing revenue rather than raising it. The court held that although section 23 amended title III, section 301 (b), of the Internal Revenue Act of 1918, it did not thereby become a revenue measure since the amendment was only incidental to the primary purpose which was to establish an American merchant marine.

It is believed that even though the amendment in question might have an effect upon customs and duties and might have the effect of imposing an embargo, such effects are so remote and incidental to the purpose of the amendment that they cannot logically be said to have the result of making the amendment a revenue measure within the meaning of the constitutional provision requiring such measures to originate in the House of Representatives.

Regardless of opinion and precedent the House might object to the amendment if adopted by the Senate. It may be safely said without citing authority that the House jealously guards its prerogative as to revenue legislation, and if it is of the opinion that the amendment in question is a revenue measure within the meaning of the Constitution it would no doubt insist that no such measure might originate in the Senate. It would only be speculation on our part to say what the position of the House would be in this case; however, it is felt that the amendment here under consideration is not a bill for raising revenue within the meaning of the Constitutional provision and may, therefore, properly originate in the Senate.

Respectfully,

HUGH C. EVANS,
Assistant Counsel.

MARCH 6, 1956.

Mr. YOUNG. Mr. President, despite the fact that the legislative counsel of the Senate believes the amendment is germane, I want the Senate to know there is a possibility the House might return the bill if the amendment were included by the Senate and were retained by the House conferees. However, I believe no harm would be done by approving the amendment. It would go a long way toward curbing the unnecessary importation of agricultural commodities which are already in surplus.

If the soil bank works, as it is believed it will work, and if it raises the prices of

commodities to 90 percent or 100 percent of parity, we shall have more trouble with imports than we have had before. Unfortunately, in the last 5 years or more, the importation of agricultural commodities into the United States has been on the increase. Exports have decreased from what they were 5 years ago.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LANGER. The Senator, of course, is aware of the fact, is he not, that we were getting \$1.80 for rye until 12 million bushels of rye came into the United States from Canada. The price of rye then went down to about 70 cents a bushel.

Mr. YOUNG. My distinguished colleague is absolutely correct. The cash price of rye at present is below the support levels. It would not at all be necessary for the cash price of rye to be below the support levels if we had only sense enough to curtail our imports.

Mr. President, I ask unanimous consent to have printed in the Appendix at this point in the RECORD tables relating to imports of feed grains and also the imports of pork and pork products and beef and veal and their products.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Grain imports in millions
[Fiscal or marketing years]

	1952-53	1953-54	1954-55	1955-56 (estimate)
Oats.....	68.6	79.7	20.0	20.0
Barley.....	24.9	38.3	24.1	25.0
Rye.....	5.6	13.4	3.4	3.0
Feed wheat.....	20.4	4.3	2.9	3.0
All wheat.....	21.6	5.5	4.4	4.0

(Information obtained from Schaefer—USDA.)

Pork and pork product imports (except lard)
[Calendar years]

	Pounds
1953.....	146,026,000
1954.....	170,327,000
1955: January-November.....	150,456,000

Beef and veal imports (including beef-veal products)
[Calendar years]

	Pounds
1953.....	160,099,000
1954.....	125,692,000
1955: January-November.....	111,601,000

Source: Jaffe Livestock and Meat Products Division, Foreign Agriculture Service, USDA.

TRIP LEASING LEGISLATION

Mr. WILEY. Mr. President, will the Senator from North Dakota yield 1 minute to me?

Mr. YOUNG. I yield.

Mr. WILEY. Mr. President, there will shortly come up on the Senate floor, following completion of action on the farm parity bill, an important piece of legislation, S. 898—commonly referred to as the trip leasing bill.

I bring up this matter now, while the farm bill is under debate, because it is really a part and parcel of the program for the protection of the farmers of the Nation.

It is designed to preserve, by statute, the right of farmers, cooperative associations, private carriers, and other agricultural haulers, to lease their trucks to authorized motor carriers, for back hauls, and for other short periods of time, rather than having to return empty in the direction of the areas where their trucks are usually based.

A bill of this nature has been necessitated by the proposed imposing on the part of the Interstate Commerce Commission of a 30-day minimum limitation on the length of time for which a truck might be leased. And, so, there is a continuing threat that unless a clear policy is established by statute, the ICC might, at will, reinstate such an arbitrary limitation, or even a more stringent one, as applied to trucks hauling agricultural commodities.

Now, Mr. President, I raise this issue, while the present farm parity bill is under debate, because it is part and parcel of assuring a fair break for the farmer. Trip leasing, such as is supported by S. 898, not only promotes economy in transportation charges for the movement of farm goods from farm to consumer, but it also results in efficient and full utilization of equipment, and in balanced operations for both the lessor and lessee motor carriers.

The bill would not effect any changes in present trip leasing practices. It would, however, wisely make certain by law that in the future the ICC does not put into effect any harmful regulation such as it has attempted in the past.

I point out that favoring this legislation are such splendid groups as the American Farm Bureau Federation, the National Grange, and the National Milk Producers Federation, together with the Dairy Industry Committee. The Departments of Agriculture and Interior favor it; the National Potato Council favors it; the National Livestock Producers Association, the National Farmers Union, the American Association of Nurserymen—and many others.

I point out further that if we are to be consistent in passing the present farm parity bill, we can hardly fail to pass a bill which will also help the farmer and the farm co-op.

My State of Wisconsin is one of the great cooperative States of the Union, and I have been pleased to hear from Mr. Homer L. Brinkley, executive vice president of the National Council of Farmer Cooperatives, vigorously endorsing this measure and analyzing it most carefully and objectively.

I have in my hand, too, a great many representative messages from my State. For example, there is a message from one of our most prominent businessmen, active in civic affairs and in constructive political work. He points out that "trucks hauling products from Wisconsin, such as milk, cheese, butter, and so forth, to the East, pick up under lease arrangement seafood and other products from the East to haul back to Wisconsin. This gives them a payload in both directions, and makes it cheaper for the shippers."

He goes on to point out:

If this bill is not passed, the ICC will prevent the farm people and their carriers from returning to Wisconsin with a payload.

And he concludes:

I believe it is in the best interests of Wisconsin to have this bill passed, and urge you to vote for it.

I have in my hand the text of a wire from the Antigo, Wisconsin Truckers Association, urging strong support of the bill.

Mr. Charles Cruetinger, president of the Wisconsin Potato Association, has telegraphed he similarly.

As a sample of other businessmen supporting it, Mr. Roy J. Denson, of the Perfect Seal Manufacturing Co., has wired:

Small business firms, such as ours along with all the agricultural groups such as farmers, fishermen, fuel and food processors, will be greatly aided in their fight for survival by the passage of the trip lease bill, S. 898. I sincerely hope you can throw your great prestige into the fight for the passage of this bill and thus against the railroad and giant trucking concerns who are fighting so hard against this bill.

Under these circumstances, I believe that the judgment of the Senate Commerce Committee in favorably reporting the bill out should be followed.

The House of Representatives, on June 24, 1953, overwhelmingly passed a bill of this nature. But, unfortunately, the Senate did not take final action at that time. Now the House is awaiting our Senate decision, and I am hoping that the Senate will soon act accordingly.

I thank the Senator from North Dakota.

Mr. AIKEN. Mr. President, will the distinguished minority leader yield time to me?

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. I do not think the amendment offered by the Senator from North Dakota is exactly the way in which to handle this situation. Section 22 of the Agricultural Adjustment Act of 1933 provides authority for limiting the importation of price-supported crops, when such imports would impair the support program.

The amendment goes beyond price-supported commodities and provides a completely rigid formula for import restrictions.

A few years ago there was trouble about imports. They are not closely controlled. In 2 years, or so, there were 66 million bushels of wheat imported, which ought not to have been imported. The importation was really in violation of the law. Large quantities of other grains were imported. However, that condition has been tightened in the last 2 years. So far as I know, no edible wheat is being imported into the United States above the 800,000 bushel importation limitation. The importation of oats has been pretty well stopped. I know the people in the northeastern part of the United States used to go to Canada to get oats; now they get oats from Ohio and other States of the Middle West.

I do not know about rye. I suppose we produce all the rye we need, anyway.

It seems to me that what is sought to be accomplished by the amendment could best be handled through the provisions of section 22, which are workable if enforced. The fact that they were not enforced a few years ago should not react against the law itself. I think section 22 is now being invoked. I do not see any need to include the amendment in the bill. I appreciate the purpose and the intent of the Senator from North Dakota.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. In connection with the matter of rye, we had a hearing before the committee. We tried to have section 22 invoked. We waited 7 months before the Tariff Commission would act, even though we had the Department of Agriculture for us.

Mr. AIKEN. Was rye selling at below the support level?

Mr. LANGER. Yes. In other words, the cash price was 70 cents, as was stated by my colleague. Twelve million bushels of rye came into this country before the President stopped it. Of course, the Commodity Credit Corporation simply bought that rye, at a loss to it.

Mr. AIKEN. There is so little rye in any form consumed in Vermont that I do not know about that. I do know about the importation of oats and feed wheat. They were brought very much under control. Now we are using domestic, rather than Canadian crops for feed, as we used to.

Mr. YOUNG. Mr. President, I yield myself 1 minute. Then I shall yield 5 minutes to the Senator from South Dakota [Mr. MUNDT].

Mr. President, it is true that the imports of oats during the last 2 or 3 years have greatly decreased. That has happened for two reasons. One reason is that our domestic price is cheaper. A second reason is that the Canadian oat crop was much smaller. Barley imports are on the increase, and 20 percent of the barley which reaches the terminal markets is of foreign origin.

Mr. AIKEN. I might say to the Senator from North Dakota we are now getting our oats in the United States, not only because the price in the United States is better, but because the quality of the oats produced in the United States has been improving in the last 3 or 4 years. One reason why Canadian oats were bought in past years was that the heavy, crinkly oats could be bought at a better price. That situation seems to have been straightened out. We in the Northeast part of the country are using high-quality domestic oats.

Mr. YOUNG. I yield 5 minutes to the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. President, I wish to discuss the amendment offered by my distinguished colleague from North Dakota, who is one of the most consistent and constructive battlers on the Committee on Agriculture and Forestry for

the cause of agriculture in the Midwest and throughout America. I wish to say I am mighty happy to be associated with the Senator from North Dakota, the Senator from Kansas [Mr. CARLSON], the Senator from Wyoming [Mr. BARRETT], and the Senator from Nebraska [Mr. CURTIS], in the preparation and the introduction of the amendment, because it seems to me that it strikes at the heart of one of the reasons why we have been concerned with this agricultural bill for these many long weeks and months.

The amendment is something that strikes at the problem of surpluses, and strikes, in a sensible and logical manner, at the heart of the problem. It simply says, "Surely, the surpluses of America's agricultural products are big enough now without having to import trouble and import surpluses and products which, in short order, will magnify our problem."

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. CURTIS. As a matter of fact, the proposal treats the importer more generously than it does our own farmers. The importers are not frozen at the average level of the last 3 years. Are they?

Mr. MUNDT. Not only that, but we treat the importer much more generously than we treat the American farmer, because the foreign exporter does not have to pay any tax to provide the price support which he needs; but the American farmer, just like every other American citizen, is subject to taxes. What we are trying to do by the amendment is make this the agricultural bill of 1956 for the American farmer, instead of the agricultural bill of 1956 for farmers and exporters all over the world. It is as simple as that.

There just is not any way that we are going to find dollars enough, or a way in which we can mint or mine money enough for the United States to provide price floors for all the farm products of the world. Until we stop trying to do that, until we recognize the utter futility of asking people all over our country to pay taxes for a price support program for the Canadian grain farmer, for the Danish producer of butter and hams, for the Argentine farmer, for farmers and exporters from every area, we are never going to solve the problem of American surpluses. We may as well spend our time spitting in the sea; we do not have enough money to support farm prices around the world.

We are pretty rich and we have pretty good tax collectors. They collect a lot of money. But they will not be able to collect it as fast as we shall spend it if we are going to continue to try to have a price support program for everything farmers can produce in any country anywhere.

The soil bank program is designed to increase farm prices. We hope it will. We believe it will. To the degree that the program works, it is going to increase the prices of farm products. To the degree that it increases the prices of farm products and works, it is going

to attract additional imports from abroad. And to the degree it does that, we intensify the silly process, in which we have been engaged for well over 10 years, of trying to run a price support program for the American farmers and an import market for world products at the same time.

This is about our only chance to put economic sanity in the struggle against the problem of surpluses, and to do something sensible from the standpoint of the American taxpayer. Not much has been said about him. We have been talking about the American farmer. Yet we are going to have to rely on the largesse of the American taxpayer to foot the bill, which is going to be sizable. That is proper since this is a national problem, but we should not waste our money. But, as we begin, we should at least write rules of the game that will work, and not rules of the game which have built into them a breaking mechanism, because imports will have a tendency to force prices down and to put immediate and effective brakes on any upward trends.

If there ever has been an amendment offered, during the debate on the agricultural bill, which should be agreed to overwhelmingly, it is this one. I recommend the adoption of the amendment by an overwhelming vote.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The time of the Senator has expired.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield me 5 minutes?

Mr. ELLENDER. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator has 26 minutes remaining.

Mr. ELLENDER. I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, first I should like to say I think the Senator from South Dakota is seeing things when he says he is worried about the imports of Danish butter. We do not import into this country any Danish butter.

If imports to be made in the future are restricted to the average annual imports during the last 3 years, the great agricultural States east of Ohio are not going to be able to import any oats at all, no matter how much they may need them, so long as there is an available supply in this country, and no matter at what price the oats are held. The amendment would have a very bad effect.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. Mr. President, I should first like to make a parliamentary inquiry and ask if the amendment is germane, as it deals with imports.

The PRESIDING OFFICER. Under the precedents of this body and the precedents of the other body, the matter would be referred to the membership for a decision. If the Senator makes a point of order, under the precedents it will be referred to the membership of the Senate.

Mr. AIKEN. Mr. President, I make the point of order that the amendment

would affect revenue, and therefore is not germane to the bill.

The PRESIDING OFFICER. When the point of order is made, it will have to be decided by reference to the membership of the Senate.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. MUNDT. In such case, will not the same rule apply here as applies in the House of Representatives, namely, that if a point of order is to be raised against an amendment, it cannot be raised until the time available on the amendment has been fully used?

The PRESIDING OFFICER. Yes; the point of order will not be in order until all time available on the amendment has either been used or yielded back.

Mr. MUNDT. So I understand that the point of order is not now in order; is that correct?

The PRESIDING OFFICER. That is correct; the point of order is not now in order.

Mr. AIKEN. Then, Mr. President, I say that the amendment would seriously restrict imports in the future, and the time might come when we would very badly need those imports, even though there might be an adequate supply in the United States, for the price could be held so high as to be prohibitive.

So, Mr. President, I am interested in what the Senator says about our holding umbrellas over other countries. We have done that, we have held a 90-percent umbrella over them until we have lost our business to those countries. One reason why I have not supported high supports more than I have is that I felt that they encouraged greatly increased production and imports from other countries.

But I think that in the event of possible contingencies this amendment would practically work hardships upon the dairymen in the Northeast and those in the southeastern part of the United States, as well as California and possibly other feed-consuming States of the West.

Mr. YOUNG. Mr. President, I yield 3 minutes to my senior colleague.

The PRESIDING OFFICER. The senior Senator from North Dakota is recognized for 3 minutes.

Mr. LANGER. I thank my colleague.

Mr. President, I simply wish to point out the difference between the way Canada takes care of her farmers and the way the United States takes care of the farmers of our country. A year ago I got in touch with the Assistant Secretary of Agriculture, Mr. Morse; and it was entirely agreed that we would get 200,000 bushels of Selkirk wheat, which was so badly needed in North Dakota for seed. Agreement had been reached with Ottawa to import the wheat. Then, overnight, an embargo was declared by Canada on Selkirk wheat. Nevertheless, there was some Selkirk wheat in this country; but the effect of that development was to raise the price to 7, 8, or 9 dollars a bushel. In various parts of North Dakota the farmers paid 7, 8, or 9

dollars a bushel, and in some cases \$10 a bushel, for Selkirk wheat.

We had a magnificent crop. The seed was certified; and the farmers proceeded to raise the wheat from the seed last spring.

But now we suddenly find Canada exporting to the United States 680,000 bushels, and selling it at between \$2.35 and \$2.50 a bushel.

Mr. YOUNG. Mr. President, will my colleague yield to me?

Mr. LANGER. I yield.

Mr. YOUNG. Our average importation of oats for the last 3 years has been 39 million bushels. The estimated importation for this fiscal year is 20 million bushels. So the people of the United States could import more next year than they are importing this year. The amendment affects only commodities which are in surplus supply, and limits imports to the average of the previous 3 years.

Mr. LANGER. I may say, in connection with rye, that we raised 23 million bushels, and imported 12 million bushels. When the price goes from \$1.80 to 70 cents, and the Commodity Credit Corporation buys the rye and stores it and pays storage on it, certainly something should be done to stop the importation of rye. We called on the Tariff Commission, and submitted the matter to the Department of Agriculture. It took 7 months before we got a directive from the President of the United States to stop the importation of rye.

I think that what my colleague has said in regard to oats is equally true of any other agricultural commodity which is imported into the United States. In one day 250,000 bushels of rye were imported. My colleague is familiar with what happened in connection with oats, in the case of the Cargill suit.

The distinguished Senator from Vermont has said that some wheat shipped into the United States was unfit for human consumption; and on that basis the importation of such wheat was stopped by the Department of Agriculture.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, this is a very far-reaching amendment, and it has not received study by the committee.

The amendment would prohibit the importation in any year of surplus agricultural commodities and their products in amounts in excess of the average of imports for those commodities for the preceding 3 years. The amendment would be applicable to each and every agricultural commodity, or products of them, determined by the Secretary of Agriculture to be in surplus supply, and would cut across the many trade agreements we now have. It strikes me that before an amendment of this character is adopted, it should receive the full study of the committees which would have an interest in not only the substantive legislation, but its effects, as well.

Mr. President, this matter has been discussed many times on the floor of the

Senate in connection with our various Agricultural Adjustment Acts, beginning with the act of 1933, and as subsequently amended.

Personally, I am in sympathy with the amendment. Yet, it would, as I have stated, cut across many of the trade agreements we now have with various countries of the world, and this factor alone is sufficient evidence for me to believe that it would be unwise to adopt this amendment at this time, without more study.

It will be recalled that section 22 of the Agricultural Adjustment Act of 1933, as amended, provides a way by which the importation of products in surplus supply can be treated so as to make it almost impossible for them to be imported into the United States in quantities which would adversely affect our farm program.

I refer specifically to subsection (a) of section 22, which sets out the manner and method by which the Secretary of Agriculture shall proceed whenever in his opinion there is in the United States a surplus of any commodity which is eligible for price support. He can bring the situation to the attention of the President; and if the President agrees with the Secretary of Agriculture that further importation of such commodity would do violence to any of our farm price programs, the President then has the right to call upon the Tariff Commission to examine the matter. If the report by the Tariff Commission is favorable—in other words, if the facts found by the Tariff Commission are in accord with the view expressed by the Secretary of Agriculture—then the President, on the basis of such investigations, may proceed as follows:

If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts—

That is to say, that the commodity is in surplus supply, and that the importation of the commodity does violence to our farm program—

he shall by proclamation impose such fees not in excess of 50 percent ad valorem, or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a) of this section—

It strikes me that if the President were to exercise the authority now granted to him under section 22, he could easily meet the situation to which the distinguished Senator from North Dakota and other Senators are referring.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. It is assumed that the amendment applies only to grains. That is what we have been talking about. If the Senator will read the amendment carefully, he will find that it applies to anything manufactured from agricultural products. If this amendment were approved, it would automatically result in an immediate cutback in textiles imported into this country.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 more minutes.

Mr. AIKEN. I am very much in favor of protecting our textile industry, and I know that efforts are being made to devise some protection for it. But if we go back 3 years, when there was very little being imported into this country, we shall have to slash the importation of all kinds of textiles into this country immediately upon the enactment of this provision. It seems to me it is going a bit too far when we do something affecting every single person in the United States, with a snap amendment such as this.

I shall ask for the yeas and nays on the amendment.

Mr. ELLENDER. What is really objectionable about the amendment, in my judgment, in that it would cut across the many trade agreements we now have. As the distinguished Senator from Vermont has just indicated, this provision would operate automatically if imports were in excess of the average amount imported during the past 3 years. There is no question that the amendment might be of advantage to many segments of our farm economy, but in the long run we might lose more than we would gain.

Let me say to my good friend from North Dakota that we now have before us, as he knows, several bills on the subject of import quotas. I think two of them were introduced by the distinguished Senator from Mississippi [Mr. EASTLAND]. I told him, as well as my good friend from South Carolina, who is very much interested in obtaining enactment of legislation to curtail the importation of cotton goods from Japan and other countries, that if we ascertain that our committee has jurisdiction over the problem I shall gladly recommend to the committee that we look into it and endeavor to report out legislation looking toward alleviating the situation.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. I am curious to know what the Senator from Louisiana would suggest as another means of curtailing imports of commodities already in surplus. We have had section 22. That seemed ineffective. We had quotas on imports of oats and barley. They have been abandoned. There is little now to stop imports pouring in, at a time when we already have surpluses. I think the present law might be effective if it were properly administered.

Mr. ELLENDER. The Senator is aware of the fact that I am in complete sympathy with what he is trying to accomplish.

Mr. YOUNG. I know that.

Mr. ELLENDER. If we could limit the provision to some of the commodities which the Senator mentions, there might not be too much objection to it. However, the amendment covers every surplus commodity, and whatever is produced from such commodities. It is so broad that there is no question that it

would do violence to our trade agreements and cause more trouble than we are looking for.

As I have just indicated, under section 22, if the Secretary of Agriculture chose to perform his duty and the President were to follow the suggestion made by the Secretary of Agriculture, this situation could be remedied without additional legislation. I believe the problem can be solved more easily and expeditiously by the Republican Members of Congress urging the Secretary of Agriculture, as well as the President, to use the machinery which Congress has already provided in order to accomplish the purpose the Senator seeks to accomplish.

Mr. YOUNG. The Senator from North Dakota realizes that it is not a perfect amendment. I did the best I could to correct a bad situation. In the past 5 years we have increased our imports of agricultural commodities at a time when we have decreased our exports. The movement is running in the wrong direction. If the soil-bank program works, as we hope it will, raising prices of agricultural commodities will cause more and more trouble with imports. It will nullify all the effects of the soil bank, on which we expect to spend \$1½ billion a year.

Mr. ELLENDER. I am certain my good friend from North Dakota will agree that if the soil bank operates as we hope it will, a good many of the surpluses will be eliminated.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 1 more minute.

Mr. President, it is entirely possible that if the soil bank works well, the distressing situation with which we are now confronted with respect to wheat, cotton, and other commodities will be dissipated.

I repeat that I am in thorough sympathy with what the Senator from North Dakota is trying to accomplish. I think it is immoral for us to dip down into the Treasury to support farm prices, and, on the other hand, permit other countries to add to our own surpluses by shipping more of the same products to the United States.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LANGER. I should like to inquire, first, of my distinguished colleague, if he would be willing to modify his amendment so as to cover only wheat, oats, and barley, and rye. Also I wish to ask the Senator from Louisiana if such a modified amendment would be satisfactory?

Mr. ELLENDER. So far as I am concerned, it would assist producers of those crops, but cotton producers would want a similar provision in their favor.

Mr. LANGER. Cotton could be included.

Mr. ELLENDER. As I have said, no matter what language is used, the import quotas would operate automatically. There is no discretion. If the amount proposed to be imported is in excess of

the 3-year average, it is prohibited from coming in, without any further administrative action.

Mr. LANGER. Going back to section 22, the Senator knows that we had a reduction in wheat acreage. The result was that the farmers wanted to seed rye or barley instead of wheat. At a hearing before the Antimonopoly Committee in Chicago, dealing with that situation, we heard Mr. Morse and other members of the Department of Agriculture. It required 7 months to get an order from the President to bar imports from Canada. So, of course, the time went by to seed barley or rye.

Knowing how sympathetic the Senator from Louisiana is toward agriculture, if my colleague from North Dakota were to modify his amendment as indicated, I ask the Senator from Louisiana whether it would be acceptable.

Mr. YOUNG. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. A good Republican, and my friend from North Dakota is a good Republican, ought to be able to get the President to act very quickly.

Mr. LANGER. My experience has been that many more Democrats have influence at the White House than do Republicans.

Mr. YOUNG. Mr. President, I should like to say to my colleague that I would not wish to amend my amendment to include only grains, because during this year pork has been in very serious trouble.

I yield 3 minutes to the Senator from Wisconsin.

Mr. ELLENDER. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. WILEY. Mr. President, I thank the distinguished Senator from North Dakota. He has done a great service in calling attention to a very difficult matter, which I believe needs study and consideration. While the statute provides that action can be taken in case of surpluses, what we must do today is study both ends of the problem. Let us take, for example, cheese. The Government has approximately 300 million pounds of cheese in storage, which it has acquired. From looking at the table of exports and imports however, I find that in the years 1954 and 1955, we have imported into this country 50 million pounds of all kinds of cheese, every type of which, practically, we manufacture in Wisconsin. I cannot think of myself as being only a Senator from Wisconsin. I am a Senator who represents the entire United States. The United States is buying cheese, and all the people are paying for it.

There is another question involved here. Probably it has been stressed by other Senators. However, we know that the minimum price fixes the general price. Therefore it is all important to farmers that they get a reasonable return on their investment, whether they

produce milk or other products, and that they get what might be called the cost of production plus a reasonable return.

If imported cheese is sold to the consumer for less than Wisconsin cheese is sold, the cheesemaker of Wisconsin will not be able to sell his cheese. The result is that Uncle Sam buys it, under the present law.

Therefore there are three parties to be considered. There is the producer of the milk, the producer of the cheese, and Uncle Sam, to say nothing of the consumer. Therefore, I say, that the distinguished Senator from North Dakota has brought up an important subject.

I heard the statement made by the distinguished Senator from Vermont that we did not import any butter. Of course the record shows that we do import butter. In 1954 and 1955 we imported butter from Canada, the Argentine, Denmark, New Zealand, and other countries. We imported 720,000 pounds. That is not very much. However, we must compete with that butter.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. YOUNG. I yield 2 more minutes to the Senator from Wisconsin.

Mr. WILEY. We must compete also with the product called oleo. That product has taken over a large percent of the spread market of this country. Butter used to represent about 70 percent of the spread market. Now that oleo has come into the market, it has taken over about 60 percent of the spread market. Then, on top of it all, butter is imported. What do the exporters get for their butter, and how does that price fix the price? The effect is not very much. However, I would say that 50 million pounds of cheese of different kinds that are being imported have an immediate impact upon what is produced in the United States, and has the additional effect of more or less fixing the price.

Under the laws that exist today, as quoted by the distinguished chairman of the committee, authority already exists for the Government to protect its interests.

I realize also that foreign policy and foreign relations are involved. However, the first law of human nature is self-preservation. The Good Book itself says that one should not neglect his own. It is therefore a matter of great importance for the appropriate branches of government to reach a conclusion that will protect our own people. Therefore, I compliment the distinguished Senator from North Dakota for bringing up this matter.

Mr. President, I ask unanimous consent that I may have printed in the RECORD at this point a part of table 2, entitled "Imports for Consumption" published in Foreign Agricultural Trade of February 1956. I ask only that the portion of the table relating to cheese be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

TABLE 2.—Imports (for consumption): Principal agricultural products, by countries of origin 1953-54 and 1954-55

Commodity imported and country of origin	Year beginning July 1	
	1953-54	1954-55
CHEESE		
Swiss, Emmentaler, with eye formation:	Thousand pounds	Thousand pounds
Denmark.....	251	253
West Germany.....	153	36
Austria.....	35	178
Switzerland.....	7,275	7,350
Finland.....	484	760
Other countries.....	14	85
Total.....	8,212	8,662
Swiss, Gruyere, process cheese:		
Denmark.....	106	34
Netherlands.....	16	30
Austria.....	48	80
Finland.....	4	8
Switzerland.....	2,541	3,067
Other countries.....	10	20
Total.....	2,725	3,239
Blue mold:		
Europe:		
Denmark.....	3,327	3,222
Italy.....	110	110
Other Europe.....	98	61
Total Europe.....	3,535	3,393
Other countries.....	0	0
Total.....	3,535	3,393
Bryndza.....	0	9
Cheddar:		
Canada (including Newfoundland and Labrador).....	490	518
New Zealand.....	2,179	2,163
Other countries.....	15	5
Total.....	2,684	2,686
Edam and Gouda:		
Argentina.....	165	92
Europe:		
Norway.....	217	169
Denmark.....	200	313
Netherlands.....	4,196	4,289
Other Europe.....	19	19
Total Europe.....	4,632	4,790
Other countries.....	0	0
Total.....	4,797	4,882
Goya.....	0	3
Provoloni:		
Argentina.....	10	0
Italy.....	3,603	1,829
Other countries.....	0	0
Total.....	3,613	1,829
Provolette.....	32	15
Provoloni and Provolette.....		1,890
Reggiano:		
Brazil.....	15	18
Argentina.....	1,605	1,018
Italy.....	274	648
Other countries.....	0	0
Total.....	1,894	1,684
Parmesano.....	283	478
Romano:		
Argentina.....	2,349	1,035
Other countries.....	0	8
Total.....	2,349	1,043
Pecorino:		
Argentina.....	124	209
Italy.....	12,652	13,507
Yugoslavia.....	1	57
Other countries.....	71	46
Total.....	12,848	13,819

TABLE 2.—Imports (for consumption): Principal agricultural products, by countries of origin 1953-54 and 1954-55—Continued

Commodity imported and country of origin	Year beginning July 1	
	1953-54	1954-55
CHEESE—continued		
Roquefort:	Thousands pounds	Thousands pounds
France.....	1,861	1,914
Other countries.....	0	4
Total.....	1,861	1,918
Sbrinz.....	172	24
Other cheese:		
Canada (including Newfoundland and Labrador).....	34	5
Latin American Republics:		
Mexico.....	7	0
Argentina.....	35	2
Other Latin American Republics.....	3	0
Total Latin American Republics.....	45	2
Europe:		
Norway.....	482	541
Denmark.....	813	924
Netherlands.....	142	129
France.....	41	56
West Germany.....	88	204
Switzerland.....	222	114
Italy.....	2,925	3,171
Yugoslavia.....	187	181
Greece.....	101	208
Bulgaria.....	56	14
Other Europe.....	152	147
Total, Europe.....	5,209	5,689
Other countries.....	0	9
Total.....	5,288	5,705

show that we are very definitely importing butter as well as cheese.

I point out further that there is something, however, the Senator from Vermont said with which I do agree. He said the amendment would affect every person in the United States. I concur in that statement.

Mr. WELKER. Mr. President, will the Senator yield briefly to me?

Mr. MUNDT. I shall be glad to yield in a moment. I concur in the statement of the Senator from Vermont, because every citizen of the United States is a taxpayer, directly or indirectly. So indeed our amendment does affect every American.

The amendment will make it unnecessary in the future to tax American citizens to provide price supports for foreign farmers. It does not cut back our imports. It takes the average of the past 3 years, which is pretty bad vis-à-vis the American taxpayer, and as it relates itself to the American producer. However, bad as it has been, large as are these imports, the provision would not come into effect except when and as imports expand beyond the 3-year averages. However, if we expand imports and if we try to put price floors under everything and everyone, at long last we will break the American taxpayer, and for that disaster no one will be taxed; to cure that there will be no price supports.

Mr. WELKER. Mr. President, will the Senator yield a half minute to me?

Mr. MUNDT. I yield.

Mr. WELKER. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. MUNDT. Mr. President, I should like to make—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. Have my 4 minutes expired already?

Mr. YOUNG. I yield 1 more minute to the Senator from South Dakota.

Mr. MUNDT. Then I shall suggest the absence of a quorum, because we are having some difficulty in getting a yea and nay vote.

Mr. KNOWLAND. Mr. President, out of whose time is that to come, unless all time has been yielded back?

Mr. MUNDT. I yield a minute of my time for that purpose.

Mr. KNOWLAND. Mr. President, my understanding of the parliamentary situation is that until all time has expired and the Senate is prepared to vote, a quorum call is not in order unless it comes out of someone's time.

The PRESIDING OFFICER. The Senator from California is correct.

Mr. KNOWLAND. If Senators on both sides of the question are prepared to yield back their time so that Senators can vote, we can have a quorum call without its coming out of someone's time.

The PRESIDING OFFICER. The Senator is correct.

Mr. MUNDT. Mr. President, that being the strange and unique rule, I wonder if I may be permitted to have a

minute's worth of time to have a quorum call.

The PRESIDING OFFICER. The additional minute of the Senator from South Dakota has expired. [Laughter.]

Mr. YOUNG. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from North Dakota has 4 minutes.

Mr. YOUNG. Mr. President, I yield 3½ minutes to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, what I have to say I think will prove to be germane to this discussion, but I wish to start on another note. I should not like to see the debate close without at least recording my feeling and what I regard as the position of the Department of Agriculture with reference to title IV. I did propose an amendment early in the discussion to strike that title. I shall not press the amendment, but I still believe that a record should be made and that I utter my own opposition, because I think the title is bad, although, if I had my choice as between the grain which covers a good section of the country and the grain which involves only four States, I think I would choose the latter.

Mr. President, there is a rice provision in the bill. Cuba is part of the primary market for rice, and that would account for nearly 25 percent of the rice which is consumed at home, in industry, and for food purposes. I can envision that some other country might pick an independent republic and say, "That is our primary market," and in a little while we would inherit some difficulties, particularly administrative difficulties. I can readily understand a rice exporter exporting rice to the Bahamas, to the Dominican Republic, or to Haiti, and going to the Commodity Credit Corporation and getting \$1.90 a bag, which is the certificate value, not letting the rice remain in the Bahamas, but sending it on to Cuba. There are a great many difficulties involved. In addition to that, I fancy we would invite retaliation. If we have 25 million bags of rice left over, what happens to it? It could go into industry for the manufacture of beer. It can be exported for table purposes. But, of course, we have got to get rid of 25 million or 30 million bags of rice.

This Nation is negotiating with Indochina, with the Malayan States, with the Asiatic countries where rice is a staple commodity. We can do that so long as we can take counterpart funds. But that is something which a private exporter cannot do. What happens if we pull out the government? We will have a situation which might be disastrous to the rice industry itself.

Another thing which could happen—and it is germane to this discussion—is that we can invite retaliation by dumping in other countries where, of course, they do not want their own markets broken.

I remember what was said to me in Rangoon, Burma, in June of last year. One of the Cabinet members said to me, "We do not like what you are doing."

Mr. YOUNG. Mr. President, I yield a half minute to the Senator from Idaho.

Mr. WELKER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. AIKEN. Mr. President, I suggest the absence of a quorum.

Mr. ELLENDER. Mr. President, will the Senator withhold his suggestion for the time being?

Mr. DIRKSEN. Mr. President, will the Senator from Vermont withhold that suggestion?

Mr. AIKEN. I withhold it.

Mr. YOUNG. Mr. President, I yield 4 minutes to the Senator from South Dakota.

Mr. MUNDT. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. No; there was not a sufficient second.

Mr. MUNDT. May we have the assurance of the chairman of the committee that we will have a quorum call before a vote is taken, so that we may make another request for the yeas and nays?

Mr. DIRKSEN. The suggestion of the absence of a quorum has been temporarily withheld. It will be renewed.

Mr. MUNDT. Mr. President, I shall not take the full 4 minutes. I should like to say that I appreciate the very constructive speech made by the senior Senator from Wisconsin, and I am happy that he corrected the misapprehension of the ranking minority member of the committee, who did not realize that we were importing butter into the United States. Arithmetic and statistics are against him. The figures

I said, "What are we doing?"

He said, "You are negotiating to send 250,000 tons of rice to the Japanese market. That is our market."

The following day I was taken on a trip, and we went up and down the Irrawaddy River and saw warehouse after warehouse filled with surplus rice, with the market going down.

If we trim some of their market they will get righteously indignant about it, and then what happens? The spirit of retaliation develops.

Mr. President, whether we admit it or not, we are evidencing that spirit here on the floor of the Senate of the United States this very afternoon, because we have before us an amendment offered in the utmost of good faith. I sympathize entirely with the objective which our distinguished friend from North Dakota has in mind, but it is a retaliation against the importation of goods from the outside when we have a surplus here. My distinguished friend, for whom I have an affection which is as deep as the seas and as high as the stars, mentioned a moment ago that a few years back we tried to get 200,000 bushels of a certain type of wheat for seed. We endeavored to get it from Canada, but Canada takes care of her own and would not permit its export. That was an embargo put on her own exporters, not on ours. But the situation is later reversed. We are evidencing in the Senate this afternoon what can happen in a parliamentary body in Formosa, in Cambodia, in Vietnam, in China, in Korea, in any one of the great rice-consuming areas of the world.

So, Mr. President, if we have a surplus of 25 million or 30 million bags of rice, under the two-price system, with the incentive pressures which are present, what will be the retaliation? It will not be strange; it will not be abnormal or extraordinary that they would rise in their places where they deliberate on the statutes of their country and give expression to the very identical sentiments being uttered on the floor of the United States Senate this afternoon.

I wish I could embrace the amendment which my friend has offered, but I am afraid I cannot.

I went through the cheese battle. Where is my friend from Wisconsin who was speaking about cheese a moment ago? We were belabored in the Banking and Currency Committee when we wrote a provision with reference to section 2 of the old Agricultural Act under which the Secretary shut off the importation of cheese. Who came to see us? Nearly every cheese importer in New York, Philadelphia, and elsewhere. They protested that there were several kinds of cheese which had an appeal to a certain taste bud or to a person's personal preference for the succulency of one type of cheese over another, and very soon we were in cheese up to our ears. But we wrote the provision into the bill.

I go back to rice, Mr. President. I sincerely hope that the General Agreement on Trade and Tariff is not being transgressed as a result of our arrangement with Cuba under the most-favored-nations clause. But those are the complications, Mr. President. I shall not

urge that the amendment be rejected. I wish only to record my views and to say that they are in accord with those of the Secretary of Agriculture in regard to 2 prices on rice and 2 prices on wheat, as well.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. ELLENDER: Mr. President, I yield 1 more minute to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I should like to embrace the amendment, but I am afraid that under the circumstances I cannot do so.

Mr. YOUNG. Mr. President, how much time have I remaining?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Senator from North Dakota has one-half minute remaining.

Mr. YOUNG. Mr. President, I modify my amendment as follows:

On page 1, lines 1 and 2, strike out "Limitation on Imports of Surplus Agricultural Commodities"; and in line 3, strike out "Sec. 310." and insert in lieu thereof the following:

Section 22 of the Agricultural Adjustment Act of 1933, as amended, is amended by adding a new paragraph (g), to read as follows.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota, as modified.

Mr. WELKER. Mr. President, does any time on the amendment remain?

The PRESIDING OFFICER. No time remains.

Mr. YOUNG. Mr. President, is my amendment acceptable, as modified?

The PRESIDING OFFICER. The Senator has the right to modify his amendment. The question before the Senate is on agreeing to the amendment of the Senator from North Dakota, as modified.

Mr. ELLENDER. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute.

Mr. ELLENDER. I yield back the remainder of my time, and I suggest the absence of a quorum.

Mr. IVES. Mr. President, will the Senator from Louisiana withhold his suggestion of the absence of a quorum while I ask the minority leader if he will yield me 30 seconds out of the time on the bill so that I may make an insertion in the RECORD?

Mr. ELLENDER. Mr. President, I withhold my suggestion of the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 1 minute on the bill to the Senator from New York.

(At this point Mr. Ives asked unanimous consent for the insertion in the RECORD of a statement by him apropos Hungarian Independence Day. The statement appears elsewhere in the RECORD.)

Mr. WELKER. Mr. President—

The PRESIDING OFFICER. The Senator from Louisiana had suggested the absence of a quorum. The request

for a quorum call was withheld pending a unanimous-consent request by the Senator from New York.

For what purpose does the Senator from Idaho rise?

Mr. WELKER. I desire to offer an amendment to the amendment of the Senator from North Dakota.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Idaho to the amendment of the Senator from North Dakota.

The LEGISLATIVE CLERK. At the end of the amendment offered by the Senator from North Dakota [Mr. YOUNG], it is proposed to insert the following:

Provided, That this paragraph shall not be effective with respect to any commodity or product concerning which the President has imposed appropriate import limitations under section 22 of the Agricultural Adjustment Act of 1933, as amended.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 30 minutes.

Mr. WELKER. Mr. President, I ask for the yeas and nays on the amendment as amended.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. MUNDT. As I understand, the Senator from Idaho is asking for the yeas and nays on the amendment of the Senator from North Dakota, as modified by the amendment of the Senator from Idaho.

The PRESIDING OFFICER. The question is on agreeing to the amendment which the Senator from Idaho has proposed to the amendment of the Senator from North Dakota. The amendment of the Senator from North Dakota has not yet been modified by the amendment of the Senator from Idaho.

Mr. WELKER. I should like to direct a question to the junior Senator from North Dakota. Will the Senator from North Dakota accept the modification by the junior Senator from Idaho of the amendment, as modified, of the Senator from North Dakota?

Mr. YOUNG. I am very happy to accept the Senator's amendment.

Mr. MUNDT. Mr. President, I ask for the yeas and nays on the amendment, as modified.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The Chair will advise the Senator from Idaho that since his modification of the amendment has been accepted by the Senator from North Dakota, the Senator from Idaho does not now have time in which to discuss his amendment.

Mr. WELKER. I am mindful of that.

I now offer an amendment to the amendment. I propose, on page 1, line 3, to strike out the following:

If at the beginning of any calendar year the Secretary of Agriculture determines that there is a surplus of any agricultural commodity in the United States.

The PRESIDING OFFICER. The amendment proposed by the Senator from Idaho to the amendment of the Senator from North Dakota will be stated for the information of the Senate.

THE LEGISLATIVE CLERK. On page 1, line 3, it is proposed to strike out:

If at the beginning of any calendar year the Secretary of Agriculture determines that there is a surplus of any agriculture commodity in the United States.

Mr. WELKER. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be taken out of my time on the amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Millikin
Allott	Goldwater	Monroney
Anderson	Gore	Morse
Barkley	Green	Mundt
Barrett	Hayden	Murray
Beall	Hennings	Neely
Bender	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Pastore
Bricker	Hruska	Payne
Bridges	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Robertson
Byrd	Jenner	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoppel
Case, N. J.	Kennedy	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Knowland	Smith, Maine
Clements	Kuchel	Smith, N. J.
Cotton	Laird	Stennis
Curtis	Langer	Symington
Dirksen	Lehman	Thurmond
Douglas	Magnuson	Thye
Duff	Malone	Watkins
Dworshak	Mansfield	Welker
Eastland	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Ervin	McCarthy	Young
Flanders	McClellan	
Fulbright	McNamara	

The PRESIDING OFFICER. A quorum is present.

Mr. WELKER. Mr. President, I desire to withdraw my amendment to the amendment of the Senator from North Dakota, which I heretofore presented, and I ask for the yeas and nays on the Young amendment.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I yield 5 minutes on the bill itself to the Senator from Vermont.

Mr. AIKEN. Mr. President, I am opposed to the amendment for several different reasons. One is that it could be very harmful to every State in the Union that purchases mixed feeds or any dairy feed. I am also opposed to it because the amendment, besides restricting the importation of oats and barley from Canada at a time when we might desperately need them—we do not need them now, but we might at some time in the future—would also mean the restriction of imports of other products into the United States.

The purpose of the amendment is to preclude entry into the United States, in amounts greater than the annual average for the last 3 years, of any commodities processed from agricultural commodities which are in surplus.

If the amendment should become law, the effect of it would be immediately to cut back severely the importations of all cotton textile goods brought into the United States. It would also keep out of the United States various types of tobacco which our manufacturers require for blending purposes. The result would be to violate agreements we have

with almost every country in the world; all our trade agreements would be violated. The amendment would soon restrict our exports.

Mr. President, although my time is limited, I wish to call attention to what the exports of agricultural commodities mean to the United States:

For the first 7 months of this fiscal year, we exported \$1,945 million worth of agricultural commodities, or 5 percent above our exports for the corresponding period a year ago; and that was despite the fact that our cotton exports fell off disastrously. During the 7 months from July through January, we exported only 950,000 bales of cotton, compared with 2,277,000 bales in the same period last year—or a 60 percent drop.

But let us see what we have done in the way of exporting other agricultural commodities, Mr. President: From July through January, tobacco exports were valued at \$280 million, or 25 percent above the exports of the preceding year.

We exported in that 7 months' period, \$620 million worth of grain and feeds, or 30 percent above the amount we exported in 1954.

We exported vegetable oil and oil seeds worth \$233 million in that period—or a gain of 13 percent over the previous year. Think what that means to our cottonseed and our soybean producers.

We exported \$170 million worth of fruits and vegetables, or 10 percent over the exports last year.

We exported \$310 million worth of livestock products—or a gain of 17 percent over the exports in the same period the previous year.

Mr. President, let us think twice before we take any step which will harm our trade relations with other countries, because our exports of agricultural commodities, even including grains and feed, far, far exceed the total of our imports.

Mr. YOUNG. Mr. President—

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the distinguished Senator from North Dakota on the bill.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 2 minutes on the bill.

Mr. YOUNG. Mr. President, as is so often the case, I shall have to disagree with my friend, the Senator from Vermont [Mr. AIKEN]. He says this amendment will hurt the feed dealers. However, we have a great surplus of feed grains in the United States. If the feed dealers do not wish to use United States-produced grains, they do not have to.

Last year and the year before we imported 20 million bushels of oats; but the year before that we imported 78 million bushels of oats. So, although we imported only 20 million bushels of oats last year, the average for the previous 3 years is 39 million bushels. Therefore, under the provisions of the amendment, next year we could almost double our imports of oats from Canada; and that would not be affected by the amendment. Certainly such a limitation would not hurt New England feed users.

Mr. President, our overall agricultural imports exceed our exports. If we read the record carefully, we will find that during the last 5 years we have increased

our imports and have decreased our exports of agricultural commodities. That is a very bad situation. These large imports are in a large measure responsible for our surpluses and depressed farm prices.

Mr. MUNDT. Mr. President—

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. I thank the Senator from California very much.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2 minutes.

Mr. MUNDT. Mr. President, I simply wish to reiterate, now that there is a reasonably good attendance of Senators in the Chamber, that this amendment is very much more important than might appear on its surface, because it enables us to do something with our American taxpayers' money for the American farmers. The amendment will not shut off any of the imports now coming into the United States. Under the amendment, the imports of the past 3 years will be used as an average; and the amendment provides that that average cannot be exceeded.

The point in regard to the soil bank is to increase prices above the average for the last few years. In other words, we are trying to make the American farmer more prosperous. But if, whenever the price of his products rises, we are to be deluged with a wave of new, cheap imports from abroad, we shall not help the prices of American agricultural commodities. Instead, the American taxpayer will be spending his dollars all over the world, to help stabilize the prices of the agricultural products of foreign countries.

Mr. President, we cannot move in two directions at the same time; we cannot push up prices while, at the same time, we are increasing imports, and thus pulling down the prices. In such a situation, we are getting Uncle Sam into the position of Lord Nosh, who, every morning, got up and jumped on his pony and rode off rapidly in all directions. He never went anywhere or got anywhere.

Mr. President, we had better give at least some consideration to the economics of the situation and the law of supply and demand; and we had better give some consideration to the American taxpayer, who should not be asked forever to maintain a price-support program for all the other countries of the Western Hemisphere and all the countries of Europe and the countries of all other parts of the world.

I think the amendment is a very salutary one and is in the interest of both the farmer and the agricultural economy. So, Mr. President, I call for adoption of the amendment. I hope it will be approved.

Mr. AIKEN. Mr. President—

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 1 minute.

Mr. AIKEN. Mr. President, the Senator from South Dakota is incorrect when he says this amendment would not

cut back any imports. Under the amendment, the average of the last 3 years would be used. Mr. President, 3 years ago we were not importing as much textiles as we are now. We should protect our textile manufacturers. But it is not correct to say that this amendment would not cut back imports, because when we take the average of those 3 years, we find that figure is well below the amount of the imports this year.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, submitted by the Senator from North Dakota [Mr. Young], on behalf of himself and other Senators.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BENDER. Mr. President, I have a live pair with the junior Senator from Alabama [Mr. SPARKMAN]. I understand that if he were present he would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Texas [Mr. DANIEL], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Louisiana [Mr. LONG] are absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent because of illness in his family.

I further announce that if present and voting, the Senator from Texas [Mr. DANIEL], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Louisiana [Mr. LONG] would each vote "nay."

The result was announced—yeas 43, nays 47, as follows:

YEAS—43

Barrett	Humphrey	Neuberger
Bible	Jackson	O'Mahoney
Bridges	Jenner	Potter
Capehart	Johnston, S. C.	Russell
Carlson	Laird	Schoeppel
Case, S. Dak.	Langer	Scott
Chavez	Magnuson	Stennis
Cotton	Malone	Thurmond
Curtis	Mansfield	Thye
Dworshak	McCarthy	Watkins
Eastland	McClellan	Welker
Ervin	Morse	Wiley
George	Mundt	Young
Hill	Murray	
Hruska	Neely	

NAYS—47

Aiken	Flanders	Martin, Iowa
Allott	Fulbright	Martin, Pa.
Anderson	Goldwater	McNamara
Barkley	Gore	Millikin
Beall	Green	Monroney
Bennett	Hayden	Pastore
Bricker	Hennings	Payne
Bush	Hickenlooper	Purtell
Butler	Holland	Robertson
Byrd	Ives	Saltonstall
Case, N. J.	Johnson, Tex.	Smathers
Clements	Kennedy	Smith, Maine
Dirksen	Kerr	Smith, N. J.
Douglas	Knowland	Symington
Duff	Kuchel	Williams
Ellender	Lehman	

NOT VOTING—6

Bender	Frear	Long
Daniel	Kefauver	Sparkman

So Mr. Young's amendment, as modified, was rejected.

Mr. WELKER. Mr. President, I call up my amendment "3-15-56-D."

The PRESIDING OFFICER. The Secretary will report the amendment.

The LEGISLATIVE CLERK. On page 30, after line 17, it is proposed to insert the following:

FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL PROJECTS

Sec. 310. (a) For a period of 3 years from the date of enactment of this act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. Surplus crops grown on lands reclaimed by flood-control projects shall be ineligible for any benefits under the soil-bank provisions of this act and under price-support legislation.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of subsection (a) during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

Mr. WELKER. Mr. President, yesterday for the better part of the afternoon we debated a similar amendment, which had been offered by me, and during the ensuing hours last evening I contacted at least 90 percent of the Senators who had objected to my amendment yesterday. I tried to rewrite it so that it would be satisfactory to each of them and to our country as a whole. I have changed the period from 5 years to 3 years, and I have brought in Federal irrigation drainage and flood-control projects, which caused a great deal of concern to Senators yesterday.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. WELKER. Mr. President, I do not desire to argue the matter at great length, because all of us are familiar with the subject, particularly from the debate of yesterday.

As I said yesterday, this seems to me to be a common, ordinary, horsensense amendment. While the American taxpayers are paying out millions of dollars through one agency for the so-called soil bank, I am asking that the Bureau of Reclamation of the Department of the Interior shall not bring in new lands

for a period of 3 years and in that way make the taxpayers pay millions and—yes, perhaps even billions—while we still have surpluses on hand.

The administration is to be left at the discretion of the Secretary, and I hope and pray that the amendment will not be in effect for more than a year, as the distinguished senior Senator from Vermont said yesterday. The amendment is intended to meet a temporary situation. However, if we are to make sense with the soil-bank proposal, certainly the American taxpayer has a right to know why we should be paying out money to take some land out of production and at the same time spend money to put land into production.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WELKER. I am happy to yield.

Mr. CASE of South Dakota. As I understand the Senator's amendment, with whose purpose I am wholly in accord, it is limited to projects of irrigation or drainage hereafter to be authorized. Is that correct?

Mr. WELKER. That is correct.

Mr. CASE of South Dakota. It does not affect those already in existence?

Mr. WELKER. It does not affect those already in existence.

Mr. CASE of South Dakota. Or those which may, perhaps, be 75 percent completed.

Mr. WELKER. That is correct. It does not affect those projects.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. WELKER. I am happy to yield to the distinguished Senator from Delaware.

Mr. WILLIAMS. I wish to associate myself with the Senator from Idaho in support of the amendment, because I agree with him fully that it does not make sense for the Government to spend money through one department in developing new lands and bringing them into production, and thereby create new surpluses, while at the same time we are setting up a soil bank for the purpose of taking out of production presently cultivated land. The amendment of the Senator from Idaho makes a good deal of sense to me.

Mr. WELKER. I thank the Senator from Delaware.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WELKER. I am happy to yield to the distinguished Senator from Vermont.

Mr. AIKEN. Although I agreed with the Senator's amendment of yesterday, I believe his revision of it today makes it a much better amendment, and I believe also it precludes the possibility of doing harm to any individuals who might be concerned with it. To me it looks like a good amendment.

Mr. WELKER. I thank the Senator. I hope other Senators have heard what the distinguished Senator from Vermont has said, that, although he agreed with the amendment I offered yesterday, he believes my amendment today is an even better one, and that no one can be injured by it.

Mr. GOLDWATER. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I shall be happy to yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. I was against this amendment yesterday, and even though the version today is a good deal more palatable to me, I am afraid I shall still have to vote against it. What I am afraid of, and I think I echo the sentiments of Senators from reclamation States, is that this will not be a temporary measure. As I stated yesterday on the floor of the Senate, we are not noted in this body for enacting temporary legislation. The halls are filled with books containing legislation designed to be temporary, but it has become permanent.

I have a fear, and I think I share that fear with Senators from most of the 17 reclamation States, that this provision could be used by foes of reclamation. I know the Senator from Idaho is not a foe of reclamation. He is one of its staunchest backers.

There are those who argue that there should be no reclamation in the United States. They feel that the naturally watered areas of their own States should be developed rather than the lands in the arid West.

I sound this warning, that in the future the same approach may be used to stop any reclamation development in the West. As I have told the Senator from Idaho in private conversation, I think there is wisdom in his idea. I think he has a common, horsensense approach to it, as the Senator has in his approach to all legislation, but as a Senator who has to depend on reclamation in his State for the people's livelihood, I think I should be doing my conscience an injustice, and, certainly, my constituents, if I failed to voice my fears about this amendment and if I failed to register my vote against it.

Mr. WELKER. I am sorry that the Senator from Arizona became alarmed in walking past the graveyard. I will say to the Senator from Arizona that my State blossomed by virtue of the gratuities of this legislative body long before Arizona ever thought of becoming a State—22 years before. Our deserts started blossoming. Why? Because Congress wanted to see our lands grow and prosper. I have confidence in every Senator on this floor. Of course, there are differences of opinion, but I can go to my friends of the South and to my friends of the Midwest, and I can build a better case for reclamation in the West by virtue of the fact that we at least are trying to be fair and honest in the matter. We are trying to save the taxpayers' money. Had I thought for one moment that the amendment would result in the loss of any project in Idaho, it would not have been offered.

Let me say to my friend from Arizona, a great, dedicated Arizona man whom I admire not only as a great Senator, but personally, that there is nothing in my amendment which would foreclose the building of projects when water means the development of our country, when more persons will come to the West, as they should be coming and soon will be

coming. There is nothing in the bill to preclude a reclamation plant being ready to turn on the water after the emergency is over.

Mr. GOLDWATER. Mr. President, will the Senator from Idaho yield further?

Mr. WELKER. I yield.

Mr. GOLDWATER. I echo the feelings of the Senator from Idaho with reference to this august body and to the men who comprise it, but we have a habit of holding elections in this country, and there may be some changes in this body as the years go by. I do not think the junior Senator from Idaho can pledge a future Senate to the support of reclamation in the West. I wish he could, but we have found in this body a not-too-sympathetic ear on the part of all Senators toward reclamation.

The Senator made a remark with reference to Idaho having blossomed 22 years before Arizona became a State. I imagine the land of Idaho has always blossomed. It is a beautiful State. I have fished its streams, climbed its mountains, and skied on its ski slopes. I do not think its becoming a State had anything to do with those natural beauties.

Our deserts in Arizona were flourishing 3,000 years ago. We are the sixth civilization to live on the land, and we do not want to see our civilization become just another number. We do not want to become what the Indians call "Ho-ho-kam"—those who have gone.

Mr. WELKER. I remember when the Senator from New Hampshire [Mr. BRIDGES] was one of the 12 or 15 Senators on this side of the aisle. The opposite political party was in control, and we received no abuse from them.

Had it not been for water on the great Arizona desert a gila monster would starve to death, as the Senator well knows.

Mr. GOLDWATER. Let me say to the Senator that I have a frog which is 13 years, and he cannot swim. [Laughter.]

Mr. CASE of South Dakota. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I yield.

Mr. CASE of South Dakota. In order that there may be no misunderstanding or misinterpretation, I should like to read one sentence which appears on page 2 of the Senator's amendment. I think the Senator from Idaho should explain it. Possibly it should be modified or removed from the bill. I read from page 2, beginning at line 7:

Surplus crops grown on lands reclaimed by flood control projects shall be ineligible for any benefits under the soil bank provisions of this act and under price support legislation.

What concerns me, Mr. President, is the possibility that that language could be interpreted as forbidding benefits for crops which might be grown on some normal farmland which has a flood-control project under way and where the completion of the flood control project might permit corn to be grown every year instead of once in 2 or 3 years.

Mr. ELLENDER. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I yield.

Mr. ELLENDER. With reference to the sentence just read by the distinguished Senator from South Dakota, I wish to ask the Senator whether the language refers only to projects that would be authorized hereafter?

Mr. WELKER. Yes.

Mr. ELLENDER. It might be well to modify it so that there will be no doubt about it.

Mr. CURTIS. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I yield.

Mr. CURTIS. There are certain categories of projects which have been authorized subject to a finding of feasibility by the Congress. Is it the intent of the distinguished Senator from Idaho to place them in a class of projects which have not been authorized?

Mr. WELKER. Not in the least. The matter was brought to my attention yesterday by the distinguished senior Senator from Wyoming [Mr. BARRETT] and we came to a happy conclusion on the matter. If the lands are developed, awaiting the time when the water authorization and money from the Federal Government can be obtained—

Mr. CURTIS. I am afraid the Senator did not understand my question. Congress has passed an act authorizing a project, but it is authorized subject to a feasibility report approved by Congress, and Congress has not approved the feasibility.

Mr. WELKER. Such projects will be protected. There is no intention of writing them off.

Mr. CURTIS. I should like to inquire about another category of projects. I have in mind 2 projects in the Missouri River Basin, 1 of which has been authorized by the Army engineers and the other one by the Bureau of Reclamation. For reasons which I shall not take time to explain now, we are seeking to get those projects interchanged, to get the Army project authorized by the Bureau of Reclamation, and the Bureau of Reclamation project authorized by the Army. Is it the Senator's intention to include such a situation as that?

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. ELLENDER. As I understand, the distinguished Senator has modified his amendment as I have suggested, on page 2, line 8, after the word "projects," by inserting "hereafter authorized."

Mr. CURTIS. May I ask the Senator from Idaho what his answer is to my question?

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. Did the Chair and the clerks understand the request of the Senator from Idaho to modify his amendment, on page 2, line 8, after the word "projects," by inserting the words "hereafter authorized"?

The PRESIDING OFFICER. The Chair could not hear the Senator from Idaho. The Senate will be in order, please.

Mr. CASE of South Dakota. I understood the Senator from Idaho to say, in

response to the query of the Senator from Louisiana, that he was agreeable to modifying his amendment on page 2, line 8, after the word "projects," by inserting "hereafter authorized," but I had not heard that that request was recognized by the Chair and the amendment so modified.

The PRESIDING OFFICER. The Chair understands that the Senator from Idaho has so modified his amendment.

Mr. CASE of South Dakota. I thank the Chair.

Mr. CURTIS. Does the Senator from Idaho have an answer to my question?

Mr. WELKER. No, they could not be authorized to go ahead and receive the benefits of farm surplus. But please do not have any fear. A rider has been attached to the upper Colorado Basin bill to the extent that farmers in that area cannot produce any crops for a period of 10 years. I believe almost anyone who is familiar with irrigable lands knows that it will take 10 years before crops can be planted. But in a spirit of compromise yesterday I reduced the time to 5 years; and, further, to protect the Senator in the situation with which he is concerned I reduced the time to 3 years. The Senator well knows that canals and other installations cannot be built in that time.

Mr. CURTIS. Suppose a project has been authorized for years, but it becomes necessary to reauthorize it. What would be the status of such a project under the Senator's amendment?

Mr. WELKER. I do not fully understand the Senator. Why would it be necessary to reauthorize a project?

Mr. CURTIS. Perhaps the cost estimates have changed, or perhaps engineers have injected new features into the project, and the Bureau of the Budget has said the project cannot be built without a new authorization, even though the project has been authorized for years.

Mr. WELKER. In a direct and positive answer to my colleague, the Senator from Nebraska [Mr. CURTIS] let me say it is my intention to exclude only those projects which have not been authorized at all.

Mr. CURTIS. Suppose the reauthorization were enacted by Congress to meet any objection. I believe that 1 of 2 things will happen. If the amendment shall be agreed to now, and the time never extended, it will not make any difference, because a project cannot be authorized and water put on the land in 3 years. But if the amendment shall be agreed to, and it sets the date as 25 years, that may make a difference.

Mr. WELKER. I might answer the Senator from Nebraska as I answered the Senator from Arizona. I think we are assuming a great deal. I do not believe anyone who understands the intent and purpose of the amendment will assume that we shall be liquidating ourselves in the reclamation field by the adoption of the amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WELKER. I am happy to yield.

Mr. HICKENLOOPER. If the Senator will again refer to the sentence beginning on page 2, beginning on line 7, which he modified a moment ago, he will note that the sentence reads:

Surplus crops grown on lands reclaimed by flood-control projects—

And then come the words of the Senator's modification—

Mr. WELKER. "Hereafter authorized."

Mr. HICKENLOOPER. I continue—hereafter authorized shall be eligible for any benefits under the soil-bank provisions of this act and under price-support legislation.

It seems to me that as the language stands, the crops themselves would not be available for any benefits, but the land itself would not be prohibited from coming within the soil bank, because the first words are "surplus crops." The sentence does not say that the land which is brought in could be retired in the soil bank.

I am merely raising the question because it seems to me the land itself which is brought in under projects hereafter authorized could be brought in and then immediately put into the soil bank.

Mr. WELKER. I think the Senator has raised a nice point.

Mr. HICKENLOOPER. I wished to call it to the Senator's attention. I am not unfriendly to his amendment.

Mr. WELKER. If the Senator from Iowa will suggest appropriate wording, I shall accept it. I think that from a legal standpoint the Senator is absolutely correct; there is a slight confusion.

Mr. HICKENLOOPER. Mr. President, I have written my suggestion hurriedly; it may not be proper. But, as a suggestion, I propose that the sentence read as follows:

Surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price-support legislation.

Mr. WELKER. I think that is a good suggestion.

Mr. HICKENLOOPER. I also suggest that the Senator from Idaho give consideration to whether the 3-year limitation applies to that sentence, because it is a sentence which stands alone and could very easily, at least upon superficial reading, be interpreted as a permanent denial to the crops and to the lands themselves at any time to come into the soil bank, unless otherwise adequately explained.

Mr. WELKER. I think the language is very clear. If the Senator wishes me to include the 3-year limitation, I shall do so. I was wondering if the words "surplus crops and land grown"—

Mr. HICKENLOOPER. Land is not grown on land.

Mr. WELKER. The Senator is correct. Will he state the language again, please?

Mr. HICKENLOOPER. The language I have suggested is as follows:

Surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price-support legislation.

Mr. WELKER. I accept the modification.

The PRESIDING OFFICER. Is there objection to the Senator from Idaho modifying his amendment as stated by the Senator from Iowa? Hearing no objection, the amendment is so modified.

Mr. WELKER. Mr. President, I yield the floor.

Mr. MALONE. Mr. President, will the Senator yield for a question?

Mr. WELKER. I shall be happy to do so.

Mr. MALONE. And also, if the Senator's time will permit, a short statement?

Mr. WELKER. Does the Senator from Nevada favor or oppose my amendment? I shall not yield to him in my time.

Mr. MALONE. Then I shall ask a question.

Mr. WELKER. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The time is under the control of the minority leader.

Mr. JOHNSON of Texas. Mr. President, how much time remains on each side?

Mr. WELKER. Mr. President, I yield 2 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Idaho has 22 minutes remaining; the majority leader has 30 minutes remaining.

Mr. JOHNSON of Texas. I yield to the Senator from Nevada.

Mr. WELKER. I have already yielded to him.

The PRESIDING OFFICER. May the Chair inquire how much time the Senator from Idaho has yielded to the Senator from Nevada?

Mr. WELKER. I yield 5 minutes to the Senator from Nevada.

Mr. MALONE. I think I had better ask for time from the other side, because I should like to ask the distinguished Senator from Idaho a question.

Mr. WELKER. Very well; the Senator can go ahead and play with the other side.

Mr. MALONE. Mr. President, there are—

Mr. JOHNSON of Texas. Mr. President, what did the Senator say?

Mr. WELKER. I refused to yield.

ESTABLISHED CONGRESSIONAL POLICIES

Mr. MALONE. I did intend to ask the distinguished Senator from Idaho a question, but I will make a statement on my own time.

Mr. JOHNSON of Texas. How much time does the Senator desire?

Mr. MALONE. About 10 minutes.

Mr. JOHNSON of Texas. Mr. President, I yield him 10 minutes, and if the Senator then desires additional time, I shall yield additional time to him.

Mr. MALONE. I want to say at the outset I have the highest regard for the distinguished Senator from Idaho. The

points I am about to make are, in the opinion of the senior Senator from Nevada, important to the future development of this Nation. I served for 4 years on the Senate Public Works Committee which had to do with flood-control and Rivers and Harbors projects.

There have been hundreds of flood-control projects authorized by Congress over the past years that will never be constructed for a variety of reasons. The language contained in the amendment excepts such projects unless and until they must be reconsidered.

The development program in the public land States has been underway since 1902, when the distinguished Senator from Nevada, the late Mr. Newlands, introduced a bill that resulted in the establishment of what is now known as the Bureau of Reclamation.

The Bureau was established for the purpose of developing the public desert lands and including the taxable property of this Nation.

It is unfair for the RECORD to show that the people settling these lands were the recipients of charity by the Congress of the United States.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Nevada yield to me, so that I may propound a unanimous-consent request?

Mr. MALONE. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, without the time being charged to either side, the Senator from Nevada may yield to me for the purpose of my moving to reconsider the vote by which the Anderson amendment was adopted earlier today.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the Anderson amendment was adopted.

Mr. ANDERSON. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. Is there objection to considering the motion to lay the motion to reconsider on the table? The Chair hears none. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion was agreed to.

Mr. MALONE. Mr. President, for more than half a century, the policy has been laid down by the Congress of the United States, in the interest of the Nation that the development of the public lands of the United States was a public benefit, and that the money so appropriated by Congress and devoted to the development of these desert lands should be repaid without interest over a reasonable period of years. The policy established by Congress on flood control construction projects for 75 years has been that whenever the Army engineers report showed benefits beyond the cost of construction then such projects were submitted to Congress, and if Congress approved the report the funds were appropriated and the projects constructed, with the cost written off to the benefit of the whole country.

In the West we store water for irrigation, and furnish flood control—paying the money to the United States Treasury without interest.

The record will show that it has been the established policy of Congress to develop the public lands in conjunction with the homesteaders as an incentive for the people to live on such land—the policy benefits the United States as a whole in the same manner that the cost of flood control and rivers and harbors was written off as a benefit to the United States as a whole.

In the construction of Hoover Dam on the Colorado River through the passage of the Boulder Dam Project Act of 1928, which was completed in 1935, another precedent was set.

It is that when there is a commercial project involving the sale of a product or a commodity, interest must be paid.

For many years we paid 4 percent interest on the total cost of the project. It has now been reduced to 3 percent, which is still more than the cost to the Government.

I point out that the policies I have outlined were laid down by the Congress of the United States and were intended in no wise to favor any particular people in any particular area, but for the development of the Nations taxable property.

I want to point out that on the homesteads of the West, the filing on public land, it generally requires as many as three attempts before a homesteader sticks to the land.

The first homesteader usually clears part of the land. The next one may build a few fences and perhaps a house, before he goes broke. The third homesteader sticks to the land until he can get water to irrigate it, and then he obtains a patent. That is how the West was developed.

It can be seen that the policy of repaying the money to the United States Treasury without interest was a partnership affair.

It has paid off in income to the United States Treasury in income taxes and in transportation development and in the development of the whole country for all of the people.

I wish to pinpoint one more situation. Yesterday, during the debate, I made the point that there is no connection between a surplus crop grown west of the Rockies, and one grown east of the Mississippi River.

I voted last year, the year before, and I am voting this year, to help the area east of the Mississippi with respect to the problem caused by surplus crops.

It will not help my State of Nevada, because we do not have a surplus, but I shall vote that way because it was found after World War II that the farmers were in a jackpot not altogether of their own making.

We are trying to help them get down off of the ladder built up during two wars.

However, if the precedent to be set is one in which we in the West must depend for our feed on buying it from areas east of the Mississippi and shipping the feed west to feed our cattle and hogs, we will not be able to survive.

We, west of the Rockies cannot pay the support price for the feed in the Corn

Belt, ship it west of the Rockies, feed it to the livestock and break even.

I regret having to make these points again, but I say that if it comes to pass that any of these projects should need a loan—and it is the law of the land that they cannot get a loan until there is no surplus east of the Mississippi—we may wait a very long time. I must vote against the proposal because, in my opinion, once the precedent is set it will be continued just as the free-trade precedent—the 1934 Trade Agreements Act—passed as an emergency and continued for 25 years—and still in effect.

There always seems to be some compelling reason to extend a law, once passed, whether it is free trade, \$5 billion for foreign aid, or raising the debt limit in peacetimes. Once a law is passed by Congress especially if it costs the taxpayers money, some excuse is found to continue it, and it becomes a permanent fixture on the statute books.

The proposed legislation establishes a bad precedent and I shall vote against it.

Mr. O'MAHONEY. Mr. President, I do not know from whom I should get time to speak, unless it be from the Senator from Idaho.

Mr. WELKER. I have only 7 minutes left.

Mr. O'MAHONEY. I shall not take 7 minutes. I merely desired to ask a question.

Mr. WELKER. Very well. I yield.

Mr. O'MAHONEY. I read the first paragraph of the amendment of the Senator:

SEC. 310. (a) For a period of 3 years from the date of enactment of this act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the construction of such project.

That would seem to cover every possible irrigation project on lands that were withdrawn for irrigation since 1902, when the Reclamation Act was first adopted.

In the Western States, before these reclamation projects were established, the lands were desert lands, and did not grow any crops at all. Does the Senator desire to go back as far as that? We began authorizing projects a long time ago.

Would the Senator accept an amendment to his proposal in line 11, page 1, so that instead of the amendment reading "prior to the construction of such project," the language would read, "prior to the enactment of this act," would it not?

Mr. WELKER. I shall be very happy to accept the modification to my amendment.

Mr. O'MAHONEY. I offer that amendment, if the Senator will accept it.

Mr. WELKER. I shall be very happy to make the modification.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection to further modification of his amendment by the Senator from Idaho? The Chair hears none. Without objection,

the amendment will be modified accordingly.

Mr. WELKER. Mr. President, in conclusion I merely wish to say again that I am thrilled and honored to have the backing of the two great leaders of our Committee on Agriculture and Forestry. I am certain that my amendment will not interfere with the future development of the West. Of course, all of us who know the West and love it, know that many more people will be going there, and that the development of new projects will be needed. I am sure that all Members of the Senate are in favor of that, and will never let us down.

I listened with great interest to the remarks of my distinguished colleague from Nevada [Mr. MALONE]. Rarely, if ever, do we disagree, because he is fundamentally correct in 99 $\frac{2}{3}$ of his observations. However, I must disagree with him in this case, because I believe the amendment to be sound, and I believe that it will enhance the value of the bill. After all, all of us want to help the taxpayers and the farmers. We do not want to hurt either group.

Mr. President, I yield back the remainder of the time available to me on the amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may now suggest the absence of a quorum, and that the time required for the call of the roll shall not be charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELKER. Mr. President, will the Senator from Texas withdraw his request for the call of the roll, for just 1 minute, until I can further modify my amendment?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELKER. Mr. President, I ask unanimous consent that I may further modify my amendment, on page 2, in line 7, before the beginning of the sentence which commences with the words "Surplus crops," by inserting:

For a period of 3 years from the date of the enactment of this act.

That modification will cure the objection which has been made by the distinguished senior Senator from Iowa—an objection which I believe to be well taken.

I appreciate the courtesy of the majority leader in this connection, Mr. President.

The PRESIDING OFFICER. Is there objection to the further modification of the amendment of the Senator from Idaho? The Chair hears none. Without objection, the amendment will be modified accordingly.

Mr. JOHNSON of Texas. Mr. President, I repeat my request that at this time there may be a quorum call, and that the time required therefor shall not be charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 11 O'CLOCK
MONDAY

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. I respectfully ask the attention of the distinguished minority leader, the chairman of the committee [Mr. ELLENDER], and the ranking Republican member of the committee [Mr. AIKEN].

How many amendments to the pending bill are still upon the table?

The PRESIDING OFFICER. There are 62 amendments still lying on the table.

Mr. JOHNSON of Texas. I understand that perhaps half of those are duplications.

Mr. President, the Senate has been in session approximately 41 hours this week. We are very desirous of disposing of the bill. I do not wish to be caught without a quorum late this evening. If it is possible to dispose of the bill, I am willing that the Senate should remain in session until late in the evening.

I now request that when the Senate concludes its business today it stand in adjournment until Monday next at 11 o'clock a. m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. The original unanimous-consent agreement provided an hour on each side on any amendment, motion, or appeal, except a motion to lay on the table. When the majority leader returned from Texas and the Senate did not seem to be making much progress, when amendments were gaining on us each day, I asked unanimous consent to modify that agreement so as to reduce the time from 1 hour on each side to 30 minutes on each side. At that time there were 74 amendments lying on the table.

We have made some progress. We have reduced the number to 62. I believe that if we had the same good fortune with the next unanimous-consent request we could finally vote on the bill. I hope we can vote on it this evening.

I, therefore, ask unanimous consent to modify the present unanimous-consent agreement, which calls for 30 minutes on each side on each amendment,

so as to reduce the time to 15 minutes on each side on each amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BUTLER. Mr. President, I certainly would not wish to object to the request of the majority leader. However, I do not believe that in 15 minutes full justice could be done to the amendment which I know will be offered by the senior Senator from Washington [Mr. MAGNUSON] to strike section 307 from the bill.

Mr. JOHNSON of Texas. Will the Senator suggest how much time he would like on that amendment? We can make a special exception of it.

Mr. BUTLER. I should say a minimum of 30 minutes on a side.

Mr. JOHNSON of Texas. Mr. President, I modify my request so as to provide 15 minutes on each side on each amendment, with the exception of the amendment referred to by the Senator from Maryland, to strike section 307 from the bill, and, with respect to that particular amendment, to allow 30 minutes on each side.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. Reserving the right to object—and I shall object—this is one of the most important bills to come before the Congress this session. It involves farmers all over the country. I certainly want to have at least the time agreed upon originally.

Mr. JOHNSON of Texas. Does the Senator from North Dakota object?

Mr. LANGER. I object.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. CAPEHART. Does the unanimous consent agreement that, at the conclusion of its business today, the Senate stand in adjournment until 11 o'clock a. m., on Monday, mean that there will be votes continuously during the day and night?

Mr. JOHNSON of Texas. I should like to confer with the distinguished minority leader. He and I are very desirous, if possible, to conclude action upon the bill today. However, we are realistic. We know the difficulties involved. If, by chance, we are fortunate enough to confine all the discussion to the amendments, and if a number of amendments are not called up, it may be that we can conclude consideration of the bill today. I do not wish to make a prediction at this time. I should like to defer answering the Senator's question until after I have had an opportunity to confer with the distinguished minority leader. I can give a better answer around 5 o'clock.

If the Senate can complete consideration and action upon the bill today, I am willing to remain here until midnight, 1 o'clock, 2 o'clock, or whatever hour suits the pleasure of the Senate. I am the servant of the Senate. We wish to conclude action on the bill today if possible.

However, if 55 or 60 amendments remain to be acted upon, I do not wish to ask 25 or 30 Senators to cancel speaking engagements for tomorrow if it is to be

come necessary to continue work on the bill on Monday.

So I express the hope, first, that the Senate can compete action on the bill today. As to the prospects in that respect, we shall be able to judge better at 5 o'clock than at 3:25. If it does not appear likely that we can complete action of the bill tonight, I shall be able to inform the Senate at 5 o'clock as to what our hours will be for the evening, and there will be no session on Saturday.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. AIKEN. While we have been talking here, the Commodity Credit Corporation has sold approximately three-quarters of its total supply of rice on hand, and only this morning it concluded arrangements for disposing of the last pound of butter. Perhaps the longer we postpone legislation, the better off the farmers of the country will be. If we can leave them alone long enough, they will regain prosperity under their own steam.

Mr. JOHNSON of Texas. My friend from Vermont knows the position of the majority leader. The majority leader has many problems on this side of the aisle—49 of them, in fact. I think, in all fairness, that the Senator from Vermont will do his usually good job of persuading his colleagues not to talk. Perhaps I can be successful in some degree on this side of the aisle, and perhaps we can complete action on the bill today. After all, the objection came from the other side of the aisle. I am doing everything I can to expedite the unanimous-consent agreement.

Mr. AIKEN. I assure the majority leader that I shall try to set a good example. It may be difficult, but I shall try.

Mr. JOHNSON of Texas. I shall make an announcement to the Senate after conferring with the minority leader around 5 o'clock, as to how long we shall ask the Senate to remain in session this evening. I hope Senators will do all they can to expedite action on the amendments which still lie on the table.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. WELKER], as modified.

Does the Senator from Idaho yield back the remaining time on the amendment?

Mr. JOHNSON of Texas. My friend from Idaho has 7 minutes.

Mr. WELKER. I shall be glad to yield back my remaining time, if the Senator from Texas will yield back his remaining time.

Mr. JOHNSON of Texas. I am delighted to yield back the remaining time.

Mr. WELKER. I yield back all my remaining time.

I understand the yeas and nays have been ordered.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. WELKER], as modified. The amendment will be stated.

The LEGISLATIVE CLERK. On page 30, after line 17, it is proposed to insert:

FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL PROJECTS

SEC. 310. (a) For a period of 3 years from the date of enactment of this act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of 3 years from the date of enactment of this act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price-support legislation.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of subsection (a) during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll. The legislative clerk called the roll.

Mr. BENDER (after having voted in the negative). On this vote I have a pair with the junior Senator from Alabama [Mr. SPARKMAN]. If he were present and voting he would vote "yea." Therefore I wish to be recorded as voting "yea."

Mr. CLEMENTS. I announce that the Senator from Texas [Mr. DANIEL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Louisiana [Mr. LONG] are absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent because of illness in his family.

On this vote, the Senator from Texas [Mr. DANIEL] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Tennessee would vote "nay."

The Senator from Louisiana [Mr. LONG] is paired with the Senator from Alabama [Mr. SPARKMAN].

If present and voting the Senator from Louisiana would vote "nay" and the Senator from Alabama would vote "yea."

I further announce, if present and voting, the Senator from Massachusetts [Mr. KENNEDY] would vote "yea."

The result was announced—yeas 63, nays 28, as follows:

YEAS—63

Aiken	Flanders	Mundt
Allott	Frear	Neely
Beall	Fulbright	Pastore
Bender	George	Payne
Bennett	Green	Potter
Bricker	Hennings	Purtell
Bridges	Hickenlooper	Robertson
Bush	Hill	Russell
Butler	Holland	Saltonstall
Byrd	Hruska	Schoeppel
Capehart	Ives	Scott
Carlson	Jenner	Smathers
Case, N. J.	Johnson, Tex.	Smith, Maine
Case, S. Dak.	Johnston, S. C.	Smith, N. J.
Cotton	Knowland	Symington
Curtis	Kuchel	Thurmond
Dirksen	Laird	Thye
Douglas	Martin, Iowa	Watkins
Duff	Martin, Pa.	Welker
Dworshak	McCarthy	Wiley
Ervin	McClellan	Williams

NAYS—28

Anderson	Hayden	Millikin
Barkley	Humphrey	Monroney
Barrett	Jackson	Morse
Bible	Kerr	Murray
Chavez	Langer	Neuberger
Clements	Lehman	O'Mahoney
Eastland	Magnuson	Stennis
Ellender	Malone	Young
Goldwater	Mansfield	
Gore	McNamara	

NOT VOTING—5

Daniel	Kennedy	Sparkman
Kefauver	Long	

So Mr. WELKER's amendment was agreed to.

Mr. WELKER. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that that motion be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas to lay on the table the motion of the Senator from Idaho.

The motion to lay on the table was agreed to.

Mr. CLEMENTS. Mr. President, I call up my amendment "3-13-56-E" and ask that it be stated.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. On page 30, line 18, it is proposed to insert the following:

SEC. 310. Section 416 of the Agricultural Act of 1949 as amended, is amended by inserting before the last sentence thereof a new sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

Mr. CLEMENTS. Mr. President, this amendment would grant authority to the Commodity Credit Corporation to pay the cost of processing grain which is in surplus supply, for institutional use and use by the needy. It would not include the school-lunch program and other domestic programs of that kind. Actually, it is a companion to the amendment passed on Wednesday of this week deal-

ing with overseas shipments to CARE and church activities. The amendment is one, I think, which will be concurred in not only by all members of the Committee on Agriculture and Forestry, but every Member of the Senate. It speaks for itself. It provides authority for the Commodity Credit Corporation to pay the costs of processing these surplus supplies.

Mr. ELLENDER. Mr. President, we had this subject matter before our committee last year, and after thorough consideration we reported out a bill which was considered and passed by the Senate, and, following conference with the House, became law. That law was restricted to the use of section 32 funds for the distribution of wheat flour and cornmeal.

When we first embarked upon this program to make Government-owned surplus foods available to institutions and to the needy, we felt that we were performing a good deed, and I was glad to join others of my colleagues in support of the proposal. We thought that church organizations, CARE, and other agencies would be able to dispose of substantial quantities of foods to the needy. The next thing that happened, however, was a request to furnish the money to pay the freight to ship them overseas. We provided that, through the foreign relief program.

Just this week we were asked to provide authorization to the CCC to pay freight charges, and also to provide more money to increase the size and scope of the disposal program to the needy. We approved that request.

Now, Mr. President, we are being asked to provide the money to process all of the surplus food commodities given away under section 416 of the 1949 act. We not only must give the commodities free of cost, and ship them to destination, but we are told that we must process them also. I ask, Mr. President, where are we going to draw the line? Will the next step be to cook them, and, after that, to serve them at the table? The Senate must decide now just how far we are going to carry this program of making surplus foods available to the needy. I hope the Senate will bear in mind that adoption of the pending amendment means additional expenses to the CCC in disposing of our surpluses. The committee, as I recall, took no action on a similar proposal that was before it; the proposition is still pending before the committee.

Mr. CLEMENTS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CLEMENTS. Is it not a fact that the Department, in handling the processing of grain being paid for out of section 32 funds, has found that the byproducts have taken care of the cost of the processing?

Mr. ELLENDER. I have not been informed to that effect.

Mr. CLEMENTS. That is my information from the Department.

The ELLENDER. The amendment which the Senator seeks to have adopted is much broader than the proposal we had before the committee.

Mr. CLEMENTS. It involves the same principle.

Mr. ELLENDER. If Senators want the CCC to undertake the new expense involved under the Senator's amendment and spend more money to process wheat and other products in order to get rid of our agricultural surpluses—

Mr. CLEMENTS. Certainly, Mr. President, no Member of this body has been more active and interested in the disposal of surpluses than has the Senator from Louisiana. This is just another way in which a very sizable portion of the surplus can be disposed of.

Mr. ELLENDER. I agree that it will result in getting rid of more surplus commodities, but what I am complaining about is the additional cost involved. It strikes me that those to whom we give these foods ought to absorb the cost involved in putting the products into such shape that they can be utilized.

Mr. CLEMENTS. We have from the Department assurance that the byproducts are very important in taking care of the cost.

Mr. LEHMAN. Mr. President, will the Senator from Kentucky, yield?

Mr. CLEMENTS. Mr. President, I yield a minute to the Senator from New York.

Mr. LEHMAN. Mr. President, I strongly support the amendment. I think it will very greatly increase the possibilities of distributing surplus foods abroad to relief and charitable organizations for feeding people in countries where our help is so greatly needed. I think this is one of the great weapons which we have, one which I think we have only partially used. I think our opportunities have been neglected. I think the Soviets are more and more coming to the conclusion and the conviction that since they cannot hope to win by force of arms, they hope to win by force of gaining the good will, the respect, and the cooperation of other nations which are now neutral. Those nations contain approximately a third of the people of the globe. So, Mr. President, I very strongly endorse and support this amendment of which I am a cosponsor.

Mr. HUMPHREY. Mr. President, will the Senator from Kentucky yield?

Mr. CLEMENTS. I yield.

Mr. HUMPHREY. Mr. President, the amendment which has been offered by the Senator from Kentucky has been vigorously and enthusiastically endorsed and supported by many religious organizations in this country and great voluntary charitable agencies which are doing overseas relief work, as well as domestic relief activities.

The President and the Secretary of Agriculture not long ago released a certain amount of surplus commodities to those respective religious and voluntary agencies. Those commodities were sometimes in an unusable form.

If the amendment offered by the Senator from Kentucky is adopted, such commodities, processed for human consumption, will be usable commodities. They will do what we want them to do, rather than to be shipped in bulk and

found not to be adequately processed and cared for.

As the Senator from Kentucky has pointed out, the byproducts will take care of the costs of processing. Insofar as the cost of commodities is concerned, it has already been authorized and directed by the President. What we are doing here is going an extra step to make these commodities usable for human consumption. It seems to me that the amendment is not only a desirable one, but is a logical step to do what we said we were going to do, namely, to provide assistance out of the abundance of our surpluses and available supplies.

I am happy to be associated with the Senator from Kentucky in this amendment. It will represent a great deal of humanitarian good to people at home and abroad. Surely the Government should be authorized to do what the amendment provides, in light of the waste that is involved in connection with these surplus commodities.

Much of the trouble we have had about these commodities is that they have been unprocessed and have been in such large packages that they could not be used. The storage costs on these commodities many times is greater than the processing costs.

When we get into it, as I pointed out in my discussion about 2 or 3 days ago on the subject of ocean freight, actually the amount of money provided for freight to dispose of the products has been less than the cost of the storage of products.

Mr. CLEMENTS. Is it not true that the surpluses in the form of wheat and corn, if they are processed in this country, will provide employment for labor?

Mr. HUMPHREY. Of course they will.

Mr. CLEMENTS. In addition to that, the byproducts of these surplus commodities will practically pay for the cost of the milk.

Mr. HUMPHREY. That is the statement which was brought to my attention by the agencies and organizations which were keenly interested in this particular amendment.

Mr. CLEMENTS. Unless the commodities are processed before they are sent to many of the States, is it not a fact that there are not enough milling facilities in those particular States to handle the commodities?

Mr. HUMPHREY. That is true in many of the areas.

Mr. CLEMENTS. Mr. President, I yield back the remainder of my time.

Mr. HOLLAND. Mr. President, I should like to have the privilege of addressing some questions to the Senator from Kentucky, if he is agreeable to that.

Mr. CLEMENTS. I am glad to answer the Senator from Florida.

Mr. HOLLAND. A year ago the Senator from Kentucky was the principal sponsor, as I recall, of a measure approved by the Committee on Agriculture and Forestry, and later last year approved by Congress, under which wheat and corn were processed into usable food and made available free in areas where great unemployment existed.

Mr. CLEMENTS. That is correct. As I recall, it was Public Law 311.

Mr. HOLLAND. I thought that was a fine service which was rendered by the distinguished Senator from Kentucky, and I certainly was happy to support him in that service.

Mr. CLEMENTS. The Senator's words are kind words, but much of his own language is in that measure.

Mr. HOLLAND. I thank the distinguished Senator.

On the pending proposal, I find myself a little more reluctant to support the Senator from Kentucky, because it seems to me the amendment is so far reaching. I have before me section 416 of the Agricultural Act of 1949, as amended, which, as I understand, is the section which the Senator from Kentucky proposes to amend by his pending amendment. Is that correct?

Mr. CLEMENTS. That is correct.

Mr. HOLLAND. I notice that section 416 covers all commodities acquired through price-support operations by the Commodity Credit Corporation; and it covers not only the disposal in domestic channels, but also the making of such commodities available to any Federal agency for use in making payment for commodities not produced in the United States.

Section 416 also covers the barter or exchange of such commodities for strategic or other materials as authorized by law. It covers in the case of food commodities, the donation of such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority for use in the school-lunch programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served in those hospitals, and to donate any such food commodities in excess of anticipated disposition under the three programs I have just covered in my enumeration.

Section 416 also covers the furnishing of such commodities to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government and intergovernmental organizations for use in the assistance of needy persons outside the United States.

The section also contains the condition that the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation.

That section seems to cover, in short, everything the Commodity Credit Corporation has and everything it can do with what it has as to normal trading.

The amendment of the Senator from Kentucky seems to cover all that great amount of stores, both present and future, which can be apprehended under the term "food commodities," and covers the use of those food commodities in all the various fields I have just recited. Is that correct?

Mr. CLEMENTS. Where they are in surplus. There are only two items, as my distinguished friend knows, that

would be items which would be processed—wheat and corn.

Mr. HOLLAND. What about peanuts?

Mr. CLEMENTS. Certainly this country had a shortage of peanuts last year. There was a considerable quantity of peanuts shipped into the United States.

Mr. HOLLAND. What about the small grains? This section covers, in short, everything that can be used for food; does it not?

Mr. CLEMENTS. I should say that was correct. It would cover the two principal items which are actually involved, or items for which provision was made a year ago, to be processed for the needy and for distressed areas of the country. The amendment would provide CARE and the private charity organizations with a processed product which was in surplus in this country, to be sent overseas, where now they could send a given amount of wheat or a given amount of corn if it was provided to them.

The amendment also would permit the processed items to go into institutional work, including school-lunch programs in this country, whereby those schools themselves would not be in a position to process the food.

Many States do not have mills in which to process wheat. Certainly wheat can be processed much cheaper when a large quantity is processed than it could be if only a smaller amount were distributed to the many schools of this country.

Mr. HOLLAND. I notice the amendment seems to provide that the Commodity Credit Corporation shall pay the cost of the processing, which would mean that all this vast additional investment would be charged to the agricultural price-support program. Is that correct?

Mr. CLEMENTS. That is correct.

Mr. HOLLAND. Much as I regret it, and as strongly as I supported the distinguished Senator in his more limited program last year, it seems to me that for Congress to launch into such a program as is contemplated, without any idea of the cost, but with full knowledge of the tremendous coverage of the proposed amendment, would be unwise.

Before any such measure as is here proposed should be considered, it should certainly have the benefit of hearings by a committee, and we should also know how much was being added out of the cost of the price-support program, not out of the general fund, to the cost of the agricultural program.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. HUMPHREY. As I understand the present language or the present ruling, voluntary agencies are permitted to get supplies under the language that they can be reprocessed.

Mr. CLEMENTS. That is correct.

Mr. HUMPHREY. What we have run into are some legal technicalities. We have apparently run into legal counsel who interpret the reprocessing provision in a very strict manner.

The purpose of the amendment is to include processing as well as reprocessing, is it not?

Mr. CLEMENTS. That is correct.

Mr. HUMPHREY. Also, it is not mandatory; it merely says "may."

I think we ought to take into consideration that where we are paying storage costs upon storable commodities at no small sum, by giving authority to the Department of Agriculture on a discretionary basis with the word "may," we shall be facilitating the use of commodities where those commodities are needed.

For all practical purposes, the present law states what the amendment provides, except that someone has gone in with a fine-point pencil and a sharp legal mind and has started to split legal hairs, saying that reprocessing does not mean processing. Thus we get into a big argument about the interpretation of the law, when the people are led to believe the voluntary agencies are entitled under the law and under the order of the Secretary and the President to utilize these commodities for welfare purposes.

ORDER FOR CALL OF CALENDAR ON MONDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at the conclusion of the morning business on Monday next there be a call of the calendar for the consideration of bills to which there is no objection, from the beginning of the calendar, and that, notwithstanding the fact that the morning hour may be passed, there be an order that the call of the calendar be completed.

Mr. MUNDT. Mr. President, reserving the right to object, I should like to ask the Senator a question. In the unhappy event that we have not completed action on the farm bill by next Monday, how much time does the majority leader feel will be stolen away from the discussion of the farm bill?

Mr. JOHNSON of Texas. I would think very little. The calendar will be taken up during the morning hour. I would not want to see the end of the morning hour arrive and cut off a discussion of a bill in which the Senator from South Dakota might be interested. I may say I have cleared the request with the minority leader.

Mr. MUNDT. The Senator from South Dakota is propounding the question with an easy conscience, because he has no bills on the calendar, but I wanted to be sure we did not get into something that might delay consideration of the farm bill.

Mr. JOHNSON of Texas. Only 5 minutes is allowed for discussion of each bill, and that much time is rarely used.

Mr. President, I renew my request that on Monday next there be a call of the calendar of bills to which there is no objection, from the beginning, and that we complete the call of the calendar notwithstanding the fact that we may pass the morning hour.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to have all Senators put on notice that there will be a call of the calendar. I hope the calendar committees on both the majority and the minority sides will be ready.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. HUMPHREY. Mr. President, I again bring to the attention of the Senator from Kentucky the language in section 416 of the Agricultural Act of 1949, to which his amendment directly refers. I read from section 416 the following language:

The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency, in the case of commodities made available for use within the United States, or their delivery free alongside ship or free on board export carrier at point of export, in the case of commodities made available for use outside the United States.

We could actually have had the amendment state "add processing."

The real problem, as the Senator from Kentucky knows—both he and I have visited and talked about this—is that although the agencies which do the work are the finest agencies in the land, they say, when they get to the point of a legal definition of "reprocessing," they run into trouble on the word "reprocessing." There is a doubt as to whether it includes processing. It seems to me it is more expensive to reprocess than to process.

I say, most respectfully, we have already charged all this up to the Commodity Credit Corporation in section 416. It has been adopted unanimously by the Congress.

Mr. CLEMENTS. Let me say to my good friend from Minnesota that actually what the amendment would permit which is not permitted now is the processing of corn and wheat into flour and meal, which would then be in a form that could be used by people both out of this country and in this country who are authorized to receive it under section 416.

Mr. HUMPHREY. The Senator is correct. One of the troubles we run into in normal trade channels is that when large quantities of corn and wheat are sent to other countries in bulk, then our own millers and our own business people say, "Look, we have the finest milling facilities. We have trained millers. We have people who can do the job. Why is it the United States pays the freight, ships it overseas, sends it to another country 6,000 miles away, and then pays that country to process it?"—which we have done. We would like to have written into the law a provision that such products can be processed in the United States of America, if it is so desired.

Mr. CLEMENTS. Would not the Senator agree that one of the really im-

portant things is that when CARE or church groups to whom surplus commodities are furnished sends them outside, they must be in processed form if 100 percent use of the items is to be obtained?

Mr. HUMPHREY. The Senator's explanation is directly to the point. As he recalls, when we put the language in the act about packaging and handling, we did it so that butter and fruits and vegetables we may have had could be used. I can recall days not long ago when one had to get some of those commodities in 100-pound bulk packages and in huge casks. Schools were served with butter in 25, 50, or 100-pound packages, but it was wasted, because butter spoils. We were told that if the butter could be packaged in 5-pound or 10-pound packages, it could be used, and there would be no waste, and good could be had out of it. The amendment relates not only to humanitarian purposes, but forms a sensible way of handling our abundance.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. LEHMAN. I can speak with some degree of experience with regard to the indescribably beneficial effects that come to this country by our following a course of helping to feed persons abroad who need our assistance. During the years immediately following the Second World War, and during the last year and a half of the war, I had a part in helping to feed many hundreds of millions of people all over the world. I do not think this country has ever made an investment that paid better dividends than the money which we made available for that purpose. Even today we have, in my opinion, millions of friends, silent though they may be for the time being, behind the Iron Curtain in Poland, in Czechoslovakia, in Rumania, in Hungary, and in the other countries, who are helped through the beneficence of this and other countries. The United States, of course, got the major part of the credit. So every ton of food we send abroad now, through the good offices of our fine relief organizations, properly supervised, will mean a tremendously important return to this country in the goodwill which many develop as a result.

Mr. CLEMENTS. Mr. President, I appreciate the fine comment of the Senator from New York. I see the Senator from Vermont is present. I am certainly in no position to state the position of the department on the amendment, but it has been my understanding that there was no objection in the department to the adoption of the amendment now under consideration. If there is any objection on the part of the department, I am sure the Senator from Vermont is in a position to express its opposition.

Mr. AIKEN. I have a statement from the Department, and I am looking for it. It is my impression that the Department has no objection to the amendment.

Mr. KNOWLAND. Mr. President, will the Senator from Kentucky yield for a question?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Kentucky yield to the Senator from California?

Mr. CLEMENTS. I am delighted to yield.

Mr. KNOWLAND. Will the Senator from Kentucky indicate what, in his judgment, would be the dollar amount involved in the processing?

Mr. CLEMENTS. I am not in a position to state to the Senator from California what the dollar cost would be. The information I have has come from those in the Department, namely, that as a result of the milling of byproducts, when the cost of storage is eliminated, only a very, very negligible cost accrues to the Commodity Credit Corporation in connection with surplus agricultural commodities processed in this country.

Mr. KNOWLAND. Does the Senator from Kentucky have any estimate of that cost?

Mr. CLEMENTS. I do not. It all depends on how much is used. Certainly the cost has been very negligible under Public Law 311, which was passed last year, to give assistance to the needy and to distress areas in the United States. The milling byproducts have practically paid for the cost of the processing.

Mr. KNOWLAND. Some figure—even though perhaps a little larger than the amount actually necessary—would at least provide some kind of dollar limitation. I wondered whether the Senator from Kentucky had considered that point, so there would not be unlimited authority.

Mr. CLEMENTS. Let me say to my friend, the Senator from California, that the Secretary is not compelled to do what is provided for. He may do it; authority is granted to him.

Mr. KNOWLAND. It is purely optional, and not mandatory, is it?

Mr. CLEMENTS. Yes; it is purely optional on the part of the Secretary. He can dispose of it in bulk, or this amendment would give him authority to dispose of it in processed form if, in his best judgment, it is best to use it in processed form, rather than to transfer it in bulk.

The PRESIDING OFFICER. Does the Senator from Kentucky yield back the remainder of the time available to him on the amendment?

Mr. CLEMENTS. I am delighted to yield back the remainder of the time available to this side, if those in control of the time on the other side will do likewise.

Mr. ELLENDER. Mr. President, I yield back the remainder of the time available to our side.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment submitted by the Senator from Kentucky [Mr. CLEMENTS], on behalf of himself and other Senators. [Putting the question.]

The amendment was agreed to, as follows:

On page 30, line 18, insert the following: "Sec. 310. Section 416 of the Agricultural Act of 1949 as amended, is amended by inserting before the last sentence thereof a new

sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

Mr. HUMPHREY. Mr. President, I call up my amendment identified as "2-27-56-K." I offer the amendment on behalf of myself, the Senator from Oregon [Mr. MORSE], and the Senator from Oklahoma [Mr. KERR.]

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, between lines 22 and 23, it is proposed to insert the following:

AUTHORITY FOR PAYMENTS

SEC. 107. (a) Section 303 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after "rice," the following: "hogs, cattle, manufacturing milk."

(b) Such section is further amended by inserting "(a)" after the section number and adding at the end thereof a new subsection as follows:

"(b) The Secretary is authorized, at any time, to make payments for the purposes of subsection (a), with respect to any of the commodities specified therein, and to use for such purposes the funds appropriated by or for the purposes of section 32 of Public Law 320, 74th Congress, as amended (7 U. S. C. 612c)."

On page 4, line 24, strike out "107" and insert "108."

Mr. HUMPHREY. Mr. President, this amendment will amend section 303. At the present time section 303 reads in part as follows:

If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, and tobacco on the normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to the parity price as the funds so made available will permit.

Mr. President, I have just read a section of our basic agricultural law which is called the parity-payment section. I believe that section was placed in the law in 1938. Senators will note that it relates to the producers of corn, wheat, cotton, rice, and tobacco. However, it does not relate to any of the perishable commodities. I should like it to be noted that under this section, to which my amendment would be added, the language is permissive, insofar as the Secretary is concerned.

In the amendment relating to hogs, cattle, and manufacturing milk, I ask that the authority be only discretionary, not mandatory. I believe that the Secretary ought to have another means of supporting or assisting the perishable commodities, when and if needed.

Again and again we have tried to include in the bill a provision relating to some of the most important of all our agricultural production, namely, hogs and cattle. In this instance I add manufacturing milk because during the war years we had experience with production payments on that commodity. I think that experience was rather creditable, insofar as the consumers were con-

cerned, as well as insofar as the producers were concerned.

I do not think this amendment needs a great deal of further explanation, if it is understood that the amendment is permissive, not mandatory, and provides discretionary authority to the Secretary, and will give him—in addition to his power to purchase the milk, as he is now doing in the case of pork products, and as he did a year or two ago in the case of beef products—the means, if he so desires, of using the payments as another effective tool to provide better income for our agricultural-commodity producers.

Mr. KERR. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. KERR. What is the present authority of the Secretary of Agriculture with reference to other commodities on a similar basis; and what are the commodities?

Mr. HUMPHREY. The authority is that, if and when appropriations are made for such payments, the Secretary is authorized and directed to make payments to the producers of corn, wheat, cotton, rice, and tobacco. It is all conditioned on the question of whether appropriations for such payments are made. At the present time there are no appropriations for making such payments.

But the particular commodities stated in my amendment are excluded under section 303 of the basic agricultural law. Instead, I want them to be included. I think it should be crystal clear that this would not be an automatic arrangement. First of all, the commodities would have to be included; in the second place, the appropriations would have to be made.

Mr. KERR. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. KERR. Is there in the bill an authorization for an additional \$250 million to be available to the Secretary, to be used in the support of any agricultural commodity which he can now support with section 32 funds?

Mr. HUMPHREY. That is correct.

Mr. KERR. If the Senator's amendment—which he has offered for himself and other Senators, including the Senator from Oklahoma—is adopted, will it mean that authority is thereby granted for the Secretary of Agriculture to use for that purpose the \$250 million authorized in the bill?

Mr. HUMPHREY. If he found it desirable to do so.

Mr. KERR. It would not be a mandate, but permissive authority.

Mr. HUMPHREY. That is correct. The amendment cosponsored by the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mr. MORSE], and myself does not direct the Secretary. The authority is here for the Secretary to utilize premium payments, or production payments, if need be—whatever may be the payment method desirable, the authority is there, to be used if the Secretary deems it in the public interest.

Mr. KERR. As I understand what the Senator has said—and it accords with my own understanding of the amendment—

it would give the Secretary authority, with reference to the producers of hogs, cattle, and manufacturing milk, to do what he now has the discretionary authority to do with respect to other agricultural commodities.

Mr. HUMPHREY. The Senator has analyzed it perfectly. This amendment adds a new section, specifically providing that section 32 funds may be used for this purpose. It would amend section 303 so as to include the commodities of cattle, hogs, and manufacturing milk. It seems to me to be a logical extension of the agricultural program.

I think I heard the Senator from Oklahoma say yesterday that around 60 percent—or is it 80 percent—

Mr. KERR. Eighty percent of what the soil produces in agricultural products is compensated for to the producer by the sale of livestock or products of livestock.

Mr. HUMPHREY. I point out most respectfully that with the exception of milk products, no other perishable commodity is really covered in the legislation.

Mr. KERR. Is it not a fact that, as of this hour, hogs and cattle are selling at a lower percentage of parity than any other agricultural commodities?

Mr. HUMPHREY. The Senator is absolutely correct. So far as I know, the record shows that cattle prices are the lowest of the major agricultural commodity prices.

Mr. KERR. Paritywise, hogs are even lower than cattle.

Mr. HUMPHREY. That is correct.

Mr. KERR. This amendment would merely authorize the Secretary to have the same authority with reference to the producers of hogs, cattle, and manufacturing milk as he now has with reference to other agricultural commodities, which, in reality, are selling at higher prices, paritywise, than either cattle or hogs.

Mr. HUMPHREY. The Senator is correct.

I should like to quote from section 32 of Public Law 320, which provides for the use of receipts and customs duties to aid agriculture. It outlines three uses to which the Secretary may put these funds.

The first is to encourage the exportation of agricultural commodities, providing for payments of any losses sustained on such exports. That is the source of the authority to subsidize exports, such as wheat.

The second use outlined is to encourage diversion of agricultural products from normal channels of trade into byproducts.

As to the third use, the present law reads:

Reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption.

That means that the basic Agricultural Act encompasses the use of a method of payments to sustain farmers' prices and farmers' purchasing power. As has been said on this floor repeatedly during this debate, with respect to cattle, hogs, and perishable commodities—in this instance I limit it to hogs, cattle

and manufactured milk, although I could emphasize the first two, hogs and cattle—there is nothing in the present law which provides any benefit to producers of such commodities except with respect to purchases. In connection with purchases most of the economic good goes to the processor, rather than the producer. That is an indisputable fact which has been documented.

It seems to me that if we can authorize the use of substantial sums of money, running into millions of dollars, for the benefit of the processor, we ought not to hesitate to include in the law a discretionary use of authority for payments to producers. It is not mandatory. I am becoming tired of hearing those in responsible positions say, "We would like to do this, but we do not have the authority." Repeatedly when a proposal is made in a difficult situation, we hear it said, "We would like to do it, but we do not have the authority."

Some time ago I brought into the debate an exchange of correspondence between a member of the Iowa congressional delegation and the counselor of the Department of Agriculture. It was inferred, in that exchange of correspondence, that possibly the language of section 303 and section 32 might include payments. I wish to see that it is clearly outlined in detail.

I point out further that the farm people in the Midwest, where producers and hog producers are in the largest numbers, are solidly behind this proposal. Every poll that has been taken in the States of Minnesota, Wisconsin, and Iowa is overwhelmingly for the inclusion of such language in the bill.

Mr. KERR. Also Oklahoma.

Mr. HUMPHREY. The same is true of Oklahoma.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes to ask some questions of my good friend from Minnesota.

Under section 303 of the act it is stated that the Secretary is authorized and directed to make payments, if money is provided, to producers of corn, wheat, rice, or tobacco, on the normal production of such commodities. Will the Senator tell us what the Secretary would have to do to determine the normal production of cattle, hogs, and manufacturing milk? How would he go about doing that?

Mr. HUMPHREY. I suppose normal production is what a producer is accustomed to producing.

Mr. ELLENDER. I do not know. As the Senator knows, under the law with respect to the basic crops, there is a formula for determining normal production, whether or not price supports shall be available for any of the basic crops. I should like to have the Senator from Minnesota tell me how the Secretary would go about calculating the normal production with respect to cattle? Would it be determined on the basis of the number of cattle sufficient to feed the population, a certain number of pounds of meat per week, or would it be the number of cattle slaughtered last year, or some other formula?

Mr. HUMPHREY. I am glad the Senator brings up that question. My un-

derstanding is that these payments would be used for the normal producers, and the normal production of cattle and hogs. We are not out to stimulate the program, but to assist in the established areas of production.

Mr. ELLENDER. As the Senator knows, the production of cattle, as well as the production of hogs, has been abnormally high—far above our average consumption requirements.

Mr. HUMPHREY. Let me say with equal candor that the production of cotton, wheat, corn, and practically everything else that is produced, has been above normal.

Mr. ELLENDER. We have in the law a formula for arriving at the national acreage allotments, marketing quotas, and price-support levels for the basics. We provide price support for the basics through CCC loans and purchase agreements. The Senator's amendment provides that if and when money is appropriated, the producers of cattle, hogs, and manufacturing milk are to receive direct payments from the Government to bring their income up to parity, or as near parity as possible, dependent upon the amount of funds available.

Mr. HUMPHREY. The amendment would merely authorize the use of these particular funds for payment purposes.

Mr. ELLENDER. When the Senator speaks of "these funds," to what funds does he refer?

Mr. HUMPHREY. If funds are appropriated.

Mr. ELLENDER. The Senator knows that under the law as it now stands there is available approximately \$440 million out of section 32 funds, for the purpose of making payments to the hog growers and the cattle growers and producers of other perishable commodities in order to assist them.

Mr. HUMPHREY. No; that is where the Senator from Minnesota must differ with the chairman of the committee.

The present section 32 limitations or authorizations provide for purchases. The section does not provide funds for payments. Purchases, as the Department of Agriculture has interpreted that term, are purchases from processors. I am not complaining about that. There is no other place where purchases of beef or pork products can be made. I am not advocating that the Government go into the processing business. The amendment provides that if the Secretary should find that purchases do not work, or if he finds that other means he wishes to use do not work, he shall have the payment authority.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. THYE. At the present time surplus products, whether they be beef or pork, are bought and used in the school lunch program. If the amendment is adopted, the producer could receive, for instance, a dollar a head as a subsidy on the live hog.

Mr. HUMPHREY. That is correct.

Mr. THYE. I am using pork as an example. The producer would be paid a dollar a hundredweight. On the other

hand, if he desired it, he could be paid a dollar a head. That would be a subsidy paid on weight or on the hog. Then what method would be used to dispose of the products once the pork got into the channels of trade? Would it go at whatever levels the overburdening on the market would force the seller of the product to demand? I am sincere in my inquiries.

Mr. HUMPHREY. I know the Senator is.

Mr. THYE. I know that the producer does not get the full benefit of the amount of money that is spent by the Department of Agriculture in the purchase of surplus pork or surplus beef, or whatever the product is. It would have to be put through the school-lunch program or into international channels, or fed back into military needs.

Therefore, I do not believe that anyone would particularly object if he knew that the method now proposed would broaden the opportunity of the Secretary of Agriculture to pursue new courses of action. One course might be for him to pay a subsidy to the producer of the live animal, and then use a portion of the funds to pick up the overburdening of the surplus, for whatever the need in the school-lunch program would be.

Mr. HUMPHREY. That is my intention.

Mr. THYE. We cannot make it mandatory in any sense on the Secretary, because the feed supply must be the factor to govern the overall production of livestock or poultry or milk. That is why I have differed with those who believe in the soil bank or in the retirement of acres. I do not believe it is feasible, because it is the supply of feed that will bring on a supply of pork or milk or livestock.

We know that the method of buying surplus pork or surplus beef did not give a return to the producer of the benefits the Treasury actually made available through moneys used in the purchase of surpluses. We know that it did not materially reduce the surpluses on the market. It softened the market to the consumer, because it took the end product out of the warehouse and took the overburden in the warehouse and put it into the school-lunch program. What we did was to firm up the market to the retailer and to the consumer at the time those purchases were made. Therefore the program was not as effective as it should have been.

If we can do what the Senator proposes without in some way involving ourselves in underwriting surpluses of livestock, and thereby firm up the market on surpluses and overproduction in the next year and a half, until we get a feed balance, we will take a step in the right direction.

That is the only concern I have. I know that the buying of beef and pork was not effective last year, and is not effective now. It has the tendency of softening the market so far as the retailer is concerned and to firm up the market so far as the housewife is concerned. If we could find language which will not tie the hands of the Secretary and encourage production of pork and

beef, we would be taking a step in the right direction.

The question is involved. After a year and a half we might decide that we had made a mistake. That is the danger I see in this venture, and that is why I am speaking as frankly as I am on the question. We did not do the right thing for the producer by the manner in which we bought pork last year, because we firmed up the market for the housewife, and we softened the market for the wholesaler. We did not materially channel that buying back into the pocketbooks of the men who had fed the hogs.

If anyone can tell me how we can do that without tying the Secretary's hands so firmly that he cannot untie them, that is what I should like to hear.

Mr. ELLENDER. Mr. President, that is what also concerns me, and that is why I am asking these questions of my friend, the junior Senator from Minnesota. I should like to know how the Secretary of Agriculture will determine the normal production of the commodities the Senator mentions.

As I said a short time ago, section 32 funds have been available for quite a number of years to assist in supporting prices for the commodities covered by the Senator's amendment. Funds are now available. Up to about 90 days ago \$444 million of section 32 funds were available for the purchase of commodities in surplus.

The Senator knows that under section 32, not more than 25 percent of the funds, or \$111 million may be used for any one commodity. In the case of hogs, the Secretary has utilized or set aside \$80 million of the \$111 million he could have used.

I wish to direct the Senator's attention to a provision in section 32. I believe the Senator proposes by his amendment to reestablish the farmer's purchasing power by making payments in connection with the normal production of agricultural commodities for normal domestic consumption. That is the purpose of the amendment, is it not?

Mr. HUMPHREY. That is correct.

Mr. ELLENDER. Mr. President, I should like to know who would be entitled to payments among the Nation's hog growers and among the Nation's cattle growers, if normal production was exceeded. Again I ask: What is normal production? Is it a quantity sufficient to feed the population of the United States? What would be a producers' normal production? How would it be determined?

Mr. HUMPHREY. I may say to the Senator that we have a pretty good understanding of what normal production is. We take an average period of time as it relates to an equitable price in the market place. For example, with respect to hogs, I have some statistics which show that we could eliminate about 800 million pounds of pork and in that way bring pork products back into what is a relatively normal span of pork products that will give a fairly reasonable price in the market place.

Mr. ELLENDER. May I say to my good friend that that is the reason why

we in the committee placed a provision in the bill authorizing a quarter of a billion dollars to supplement the present section 32 funds.

Mr. HUMPHREY. That is for purchases.

Mr. ELLENDER. I understand that; but the object is to reestablish the farmers' purchasing power by removing surplus agricultural products from the market. In that manner we hope to achieve a return to normalcy and enable the producers of perishable commodities to get the parity to which the Senator refers in his amendment.

It strikes me that the additional \$250 million of section 32 funds we already have provided for perishable commodities, which would include hogs and cattle, offer the best approach toward solving this problem. I may state that there is a possibility of raising the authorization.

I understand that the Senator from Oklahoma [Mr. KERR] has offered an amendment to increase this authorization to half a billion dollars. As chairman of the committee, I originally offered an amendment in committee to increase the funds by half a billion dollars. Personally, I would not raise any objection to the amendment of the Senator from Oklahoma. The purpose which the Senator has in mind is to take off the market a certain amount of perishable products which are in excess of requirements.

Mr. HUMPHREY. I should like to see it done by premium payments on light-weights.

Mr. ELLENDER. Congress has not provided funds to make parity payments under section 303 which the Senator seeks to amend. His amendment may be just an idle gesture.

Mr. HUMPHREY. No; it is not. I have in my hand a photostatic copy of a letter addressed to Representative CHARLES B. HOEVEN, of Iowa, dated January 23, 1956, and I also have a copy of the second page of a personally penned note signed by Representative JENSEN, of Iowa.

It is an exhibit which I shall be glad to present to the chairman of the committee.

They were in discussion with the office of the general counsel of the Department of Agriculture, and that office pointed out:

It is doubtful if authority exists to make a "bonus" payment on a particular variety of any designated commodity, unless such a payment would come within the authorization contained in section 403 of the Agricultural Act of 1949, as amended.

Then the section is set out. I read further:

Under the authority for purchase operations, the Commodity Credit Corporation could, among other things, buy live animals and enter into contracts with slaughterers and packers for processing the animals into storable products. Such products would be available for sale by the Corporation into domestic and export markets, including sales pursuant to Public Law 480 * * * as amended, and for donation pursuant to section 416 of the Agricultural Act of 1949, as amended.

The legislative history makes it clear that it does not include payments to pro-

ducers, since such payments do not have the effect of supporting prices of livestock in the market.

It is because of this kind of letter and exchange of correspondence that the language as now written in sections 303 and 32 has become meaningless to the Department.

To make a long story short, the Secretary of Agriculture has available right now, in round figures, \$800 million which he has full authority to spend to support hogs, and so forth. I think a payment is a much more sensible means. That is my personal opinion. I do not say that the Secretary needs to follow that plan. But he ought to make payments, rather than spend money just on purchases.

Mr. THYE. Mr. President, will my colleague yield?

Mr. HUMPHREY. I yield.

Mr. THYE. I believe we should be very careful as to whether we involve the Department of Agriculture in anything that is mandatory, whereby the Secretary would have to support livestock at any specific figure of parity, so long as we have the present terrifically high supply of feed. We could within the next 9 months effect such a production that neither the Treasury nor commonsense could support it. It requires only about 9 months, from the time a litter of pigs is farrowed, until that offspring can bring forth another litter of pigs. Therefore, if we write anything that makes it mandatory on the Secretary to support live hogs at any figure, hogs will be in such abundance within the next 18 months that we will not know what to do with them.

I am in sympathy with the general idea that the Secretary should have the right to pay a certain fixed sum on a light-weight hog in order to bring the producer out of an emergency because of such low prices as we have witnessed within the past 6 months. I would be very fearful of merely granting authority.

Mr. President, why do we not take this amendment into conference on the bill, instruct the staff of the committee to work with the solicitors of the Department of Agriculture, and see if we can draft some kind of language which would be acceptable to the conferees and that will permit the Secretary to bring dollars to the live hog producer, rather than to buy, as an end product, from a wholesale house? When the product is bought from the wholesaler it only firms up the market to the housewife by taking the surplus out of the hands of the wholesaler and putting it into international channels of relief or into the school lunch program. But the producer will only in a remote manner realize any benefit; and insofar as the housewife is concerned, she will have the Treasury bidding against her.

I should like to see the matter put into the hands of the solicitors of the Department of Agriculture and into the hands of the committee staff. We could have a vote here, but we would not resolve the doubt as to whether the producer would receive any benefit.

That is the whole question, as I see it. There are many amendments pending that can take hours and hours of time,

and we have debated the question until it is becoming so that no more good can be amended into the bill. I think that from here on it will look like an extra pair of shafts on a cart if we continue to attach amendments to the bill.

Mr. ELLENDER. But the Senator is suggesting that we accept the pending amendment.

Mr. THYE. I think we should get it into the hands of the solicitors of the committee and of the Department and see if we can draft a paragraph which can be adopted in conference and that will let the Secretary do what he has said he has not the authority to do, namely, somehow compensate a producer who got caught in the squeeze.

The Senator from Louisiana and I, if I may trespass on the Senator's time to say this, were as instrumental in being responsible for the big pork reduction last year as anyone else in the United States.

When we asked the Northwest wheat-grower in Oregon and Washington to divert their wheat, they already were in a summer-fallow operation. They already had their farm unit laying black throughout the year. They pay taxes on their black land for a year. They plow and harrow the land in order to keep the weeds out, and so as to keep the moisture in the land. They have overhead which they cannot escape.

When the wheat farmer is asked to cut down on his wheat acreage, oftentimes another 20 or 30 percent of his farm unit is forced into idleness. He is not able to bear such a burden. So he sows barley. When he sows barley what is he going to do? If he is a good, thrifty, hard-working operator, he looks around and asks himself, "How can I feed it rather than to channel it into cash sales?"

The PRESIDING OFFICER. The time of the senior Senator from Minnesota has expired.

Mr. ELLENDER. I may say to the Senator from Minnesota that in our recent hearings we came across many farmers in the Northwest who planted a large amount of barley on their diverted acres. Instead of feeding it, as the Senator suggests, they sold it to Uncle Sam.

Mr. THYE. But the Senator and I can find evidence in the hearing testimony that a Washington farmer diverted his acres from wheat and planted them in barley. Then he bought some brood sows, fed the pigs the barley, and overproduced on pork. That helped to glut the markets of our Nation.

Mr. ELLENDER. What they did was to borrow from Uncle Sam, and they never expected to redeem their loans.

Mr. THYE. That is what I meant when I said that the Senator from Louisiana and I were responsible for the production of the surplus of pork.

Mr. ELLENDER. The Senator should place the blame on this type of farmer, and not on the Congress.

Mr. THYE. If there had been a soil bank 2 years ago, there would have been a place to put the diverted acres, and there would not be the surplus food there is today. But we have a problem to solve, and we will not be able to resolve

it until we get our feed supply down and are able to determine how we can channel the money of the Treasury to the producers rather than to the processors and the warehouses which are full of processed meats. If we resolved that question, we would depart from the philosophy which has existed in the free-enterprise system over the years. We cannot resolve it in the amendment. I think we might run into the danger of putting some mandatory provisions upon the Secretary.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. As I understand, one of the main objections of the Senator from Louisiana, besides some minor objections, is that the Senator feels that by adding this language to section 303, matters would be complicated. Is that correct?

Mr. ELLENDER. In regard to the determination of what constitutes normal production.

Mr. HUMPHREY. As I understand, the Senator would like to have payments made out of section 32 funds and under the terms of section 32 language, rather than section 303, which talks about normal production and requires the Secretary to set up standards of what we call normal production.

Mr. ELLENDER. Yes; and, as I understand, under the present law it can be done. If the Secretary is not exercising the rights he has under that law, and the Senator is desirous of changing the law so as to force the Secretary to carry out the law as Congress intends, I personally would not have any objection to that.

Mr. HUMPHREY. That is my desire. One way in which that can be accomplished is to have specific language, and I call the attention of the Senator from Oregon [Mr. MORSE] and the Senator from Oklahoma [Mr. KERR] to this language:

In order to encourage the marketing of cattle and hogs at lighter than normal weight, the Secretary of Agriculture is authorized, in accordance with such regulations as he may prescribe, to make payments to producers to market cattle and hogs at lighter than normal weights. Such payments shall be made from funds appropriated by section 32 of Public Law 320, whichever may be cheaper, in such amounts as may be determined by the Secretary to be necessary to carry out the purpose of this section.

That ties the provision directly to section 32 funds. It does not complicate the situation at all in terms of section 303.

I think my senior colleague has put his finger on the point which needs to be emphasized. We need to get into the bill some reference to the whole concept of payments. I prefer to call them premium payments, so that weight, not products, will be marketed. It is necessary to reduce the poundage. The poundage is what causes surpluses—not the census, but the poundage.

Once this was written into the law, the Solicitor, together with the Secretary, could make whatever regulations

were necessary to put the plan on a feasible, workable basis.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MORSE. As one of the cosponsors of the amendment, I think the suggested change is acceptable.

I may say to the senior Senator from Minnesota [Mr. THYE] that I find myself in agreement with practically everything he has said. He has put his finger on our problem. Our problem is to get the amendment into conference.

I say very candidly to him that I think we ought to have had a soil bank 2 years ago. Some of us advocated a soil bank then, but Benson kept sending to Congress adverse reports on the soil bank. He has changed his opinion since then, but I think he is 2 years late with relation to hogs.

Now, I should like to ask the junior Senator from Minnesota if he thinks the amendment would be at all workable if poultry were included.

Mr. HUMPHREY. Yes, but I should prefer, if the Senator does not mind, in the light of the fact that the major problem is in the cattle and hog area, to limit the amendment to cattle and hogs.

Mr. MORSE. I am perfectly willing to do that.

Mr. HUMPHREY. There are funds under section 32 for poultry, which is much more adaptable for purchase, because the processing of poultry is not nearly the same as it is for cattle and hogs. So I should like to limit the amendment to cattle and hogs, in order to get something into the proposed law which relates directly to them.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Is it the intention of the Senator from Minnesota, by the insertion of the new words in section 303 of the Agricultural Adjustment Act of 1938, to make available the production payment procedure up to full parity?

Mr. HUMPHREY. No; that is not the intention. I may say that the proposal is strictly permissive, not mandatory. I have suggested a modification so as not to limit it to section 303, but also to include section 32, so there can be no doubt about production payments up to full parity. I am not even talking about full parity.

I am talking about having the Secretary of Agriculture, if there is at his disposal and at his command authority, use premium payments to provide a more expeditious marketing of the commodities, such as cattle and hogs, thereby relieving the market of the excess poundage which has driven market prices down. That is precisely what we are advocating.

Mr. HOLLAND. It is not clear to me what the Senator from Minnesota proposes to do under his amendment. I should like to have the attention of the Senator from Louisiana, if I may.

I am not certain what the most recent suggestion of my friend, the Senator from Minnesota, may embody; but I think I know that what he originally

proposed would result in the opening of a veritable Pandora's box.

Section 303 of the Agricultural Adjustment Act of 1938 related to a law which at the time referred only to products which were later called the basic products. That section related to parity payments, and would have allowed the Secretary to make, out of any appropriations available for that purpose, payments to producers of corn, wheat, cotton, rice, tobacco—and later the law was amended to include peanuts—which, together with the proceeds received by the producers, would provide a return to such producers which is as nearly equal to parity prices as the funds so made available will permit.

In other words, it aimed toward full parity. It aimed toward parity payments. It aimed toward sale in the market place of the six products related, and payment of sufficient supplemental funds above the sales price to realize the parity price.

Following that time, of course, specific acts were provided for price supports, and they wholly abandoned the principle of payment by direct payment of production funds to bring the producer up to full parity. To put under that particular section the commodities which the distinguished Senator proposes to include would bring utter confusion.

I call to the Senator's attention that there are several pages of definitions that precede section 303, which relate to such words as "normal production," "normal supply," "normal supply of tobacco," "normal supply of cotton," "normal domestic consumption," and so forth, making a total of, I think, 4 pages of definitions.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator from Florida.

Mr. HOLLAND. To include, in this provision the other commodities, without any definition or without any showing of what constitutes normal production, without any showing of how the Secretary should proceed, and without any specific detailed law set up such as we have under price-support legislation for these other commodities, would be to create confusion of the worst kind, and to leave anybody who felt so inclined free to blame the secretary for not applying any funds provided, such as section 32 funds or the additional \$52 million proposed to be authorized under the bill, as production payments to producers of cattle and hogs. I am not willing to leave it in that position.

Mr. AIKEN. Mr. President, it would be difficult to arrive at what normal production is. Would it be the 60 pound per capita pork production of last year, or the 80 pound per capita production of this year?

Mr. HOLLAND. That question of normal production is such a difficult one that it is defined in the act in various ways, none of them applicable to cattle and hogs, because this is the general definition:

"Normal production" as applied to any number of acres of corn, cotton, rice, or wheat means the normal yield for the farm times such number of acres.

The problem was such a complicated one that the drafters of the original legislation were required to put in the definitions. To adopt this provision without any definition would leave the picture so confused that it would be impossible of interpretation or application. Therefore, I oppose the amendment.

Mr. ELLENDER. Mr. President, I yield such time to the Senator from Illinois as he may require to make an insertion in the RECORD.

Mr. DIRKSEN. Mr. President, Mr. Charles B. Shuman, president of the American Farm Bureau Federation, made a statement yesterday setting forth the result of the two-price wheat plan on agriculture generally and on the Midwest in particular. I ask unanimous consent that the statement may be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CHICAGO, MARCH 15.—President Charles B. Shuman, of the American Farm Bureau Federation, said today that the "domestic dumping plan for wheat voted by the Senate this week would have disastrous effects on the prices and incomes of most farmers."

"This plan has been presented as a two-price plan designed to meet competition in the foreign market, while at the same time supporting prices in the domestic food market," Shuman pointed out.

"Actually, the Senate plan is a 'three-price plan'. It provides one price for wheat consumed as food in the United States, a second price for foreign sales, and a third price—potentially the most significant price to United States farmers—for wheat consumed as livestock feed in this country.

"The real objective of the certificate plan is to dump the wheat surplus into the domestic feed market," he said.

The Federation president pointed out that "the fact is that we already have a two-price plan as far as the international market is concerned. We have been meeting foreign competition by subsidizing wheat exports and selling surplus wheat for foreign currencies."

"The Senate action constitutes a grave threat to the income of all farmers who depend on feed grain and livestock for their livelihood.

"This includes the producers of wheat, corn, oats, barley, beef cattle, hogs, poultry, and dairy products. As of July 1, 1956, we will have a carry-over of more than 1 billion bushels of old crop wheat mostly in the Commodity Credit Corporation's hands.

"As adopted by the Senate this week, the certificate plan would permit the Secretary of Agriculture to unload the CCC's entire wheat surplus on the domestic feed market. This would have disastrous effects on the prices and incomes of all producers of feed grains, livestock, poultry, and dairy products.

"In view of the present record supplies of feed grain and the present low level of hog and cattle prices, the Senate's action in opening the floodgates on the wheat surplus shows a callous disregard for the welfare of the feed grain and livestock sectors of our economy.

"As far as feed grain and livestock producers are concerned, this action—if allowed to stand—will more than cancel any good effects that are to be expected from the soil bank plan.

"The certificate plan also discriminates against the wheat producers who have been producing the types and qualities of wheat that the domestic food market demands.

"It treats all wheat producers alike regardless of whether they have been producing

low quality feed wheat or high-grade milling wheat.

"In effect it would put a tax on wheat producers who have been supplying the domestic food market for the benefit of those who have been producing wheat that is not wanted by the domestic food market."

Mr. HUMPHREY. Mr. President, I wish to modify my amendment in accordance with the language I read a few moments ago. I send the amendment to the desk. I am going to speak about 2 minutes on the amendment, and then I shall ask for a vote, because there is no need for any further discussion on it.

Mr. ELLENDER. Does the Senator desire to modify or substitute?

Mr. HUMPHREY. I mean to substitute. I offer the amendments as a substitute.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In lieu of the language proposed as an amendment on page 4, between lines 22 and 23, it is proposed to insert the following:

LIGHTWEIGHT CATTLE AND HOGS

SEC. 106. (a) In order to encourage the marketing of cattle and hogs at lighter than normal weights, the Secretary of Agriculture is authorized in accordance with such regulations as he may prescribe, to make incentive payments to producers who market cattle and hogs at lighter than normal weights.

(b) Such payments shall be made from funds appropriated by section 32 of Public Law 320, 74th Congress (49 Stat. 774; 7 U. S. C. 612c), as amended, and shall be in such amounts as may be determined by the Secretary to be necessary to carry out the purpose of this section.

On page 4, line 24, strike out "107" and insert "108."

Mr. HUMPHREY. Mr. President, my only purpose in offering the amendment is to get included in the bill some reference to cattle and hogs and the payment system. I recognize the validity of the argument that we should not have payments to encourage production. I think we should have premium payments to discourage weighted production. The problem is one of poundage. The figures which I presented for the RECORD will bear out the point that it is more economical to the Government to make premium payments.

Concerning the question of maintaining payments, there is considerable sentiment for so-called production payments. I know of few, if any, great agricultural economists who are not for production payments. I do not recall any who do not recognize the safety and the desirability of production payments, particularly on perishable commodities. The question has always been, How do we control production? The pending amendment is one which is designed to have lighter weight animals marketed. It can go to conference, if my colleagues will agree to the amendment. If any refining should be needed, staff personnel would be able to do it. The amendment does not spell how the provision would be carried out, primarily because I think the regulations should be drawn up by the Secretary and the technicians in the Department.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

We had occasion to pass upon this very amendment a couple of days ago, when it was attached to an amendment submitted by the distinguished Senator from Oklahoma. The amendment which is now under consideration would permit the Secretary to make incentive payments to producers who market lightweight cattle and hogs. Payments would be made from section 32 funds, as has been stated by the author of the amendment. The purpose of the amendment is to reduce surplus production of beef and pork products.

I wish to say this amendment was considered by the committee, but was rejected on the ground that an incentive payment program, with all the implications involved, should not be enacted without full hearings. The committee also thought it would result in an increase in the total production of beef and pork.

One of the questions that bothered the committee very much was in respect to making a determination as to the marketing of cattle and hogs at lighter than normal weights. The amendment proposes that payments be made to farmers who sell their cattle and hogs at lighter than normal weights.

But, Mr. President, what are lighter than normal weights? If the normal weight for hogs is fixed at, let us say, 190 pounds, how much less would the hogs have to be in weight, so that the farmer could receive the payments? As I recall from the discussion we have had, it probably would be necessary for each sow, each calf, and each hog to be weighed separately. The administrative difficulties involved would be so great that the program would be unworkable.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Louisiana yield to the Senator from Minnesota?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. The point is that under the amendment the Secretary will provide the rules and regulations. The Senator from Louisiana will remember that the amendment I offered in the committee provided a detailed plan.

Mr. ELLENDER. I understand.

Mr. HUMPHREY. As I recall, the vote in the committee was 9 to 6 or 9 to 7 against the amendment.

But this amendment is permissive, and permits the Secretary to do as he sees fit.

Mr. ELLENDER. Mr. President, I am willing to raise the authorization for additional section 32 funds to \$500 million or more, instead of the \$250 million as is now provided in the bill. By using these funds to purchase surplus perishable products we can help stabilize the market and get it back to normal.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 more minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 more minutes.

Mr. ELLENDER. Let me read the amendment:

In order to encourage the marketing of cattle and hogs at lighter than normal weights—

So it would be necessary for the Secretary to make that determination.

Mr. HUMPHREY. Yes.

Mr. ELLENDER. What would it be?

Mr. HUMPHREY. The Department must have a fairly good idea.

Mr. ELLENDER. Suppose we estimate that the normal weight of a hog is 190 pounds.

Mr. HUMPHREY. The normal weight of a hog would be approximately 225 pounds, more or less.

Mr. ELLENDER. How about determining the minimum weight?

Mr. HUMPHREY. It depends upon how many pounds they wish to remove from the market supply.

Mr. ELLENDER. What would that be?

Mr. HUMPHREY. If it is desired to bring the price of hogs up to 80 percent or 90 percent of parity, it would be necessary to remove approximately 800 million pounds of hogs from the market. That would be done by marketing hogs at 200 pounds or less, rather than at the present average of 225 or 240 pounds.

Mr. ELLENDER. What about the minimum weight?

Mr. HUMPHREY. The Secretary would have to determine that.

Mr. ELLENDER. That is where the trouble would begin. If payments depended upon the minimum weight and the maximum weight, then each hog and each cow sold would have to be weighed separately.

Mr. HUMPHREY. They are already fairly well tabulated that way on the bill of sale, when they come into the yards.

We went over this point fairly well in the committee.

Mr. ELLENDER. It was because of this administrative difficulty that the committee rejected the amendment.

Mr. HUMPHREY. No; the committee rejected it because under the detailed plan which I then included in the amendment, there was no provision to prevent the inclusion of some old sow or old hog that might be practically on its last legs and would be unable to come up to the standards required for a good animal.

But I do not think there is any need to debate the amendment further, Mr. President.

Mr. ELLENDER. I agree with my distinguished colleague. Let us vote on the amendment.

Mr. KERR. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. KERR. If authority is provided for the Secretary of Agriculture to prescribe, according to rules and regulations which he may develop, that would be a better arrangement than to have the Congress make provision for the regulations, and include the regulations in the bill.

Mr. ELLENDER. Yes; but I do not see how the Secretary could fix the regulations and still eliminate the necessity of determining the weight of each

animal. Suppose the Secretary determined that in order for the farmer to receive these incentive payments, the hog could not weigh more than 190 pounds or less than 160 pounds.

Mr. HUMPHREY. The Secretary would not fix the minimum; he would fix only the maximum.

Mr. ELLENDER. Even so, every hog would have to be weighed, and so would all the cattle.

Mr. KERR. At the present time is it not necessary to weigh all the hogs that are purchased?

Mr. ELLENDER. Not individually.

Mr. HUMPHREY. There are weighers who can determine the weight of the hogs just by spotting them or looking at them as they pass through.

Mr. KERR. Yes; within 2 pounds.

Mr. HUMPHREY. Certainly.

Mr. ELLENDER. At any rate, a number of additional persons would have to be employed to make and record that determination.

Mr. HUMPHREY. No; that is done by the buyer; and if payments are made, he has to certify the weights to the county committee.

Mr. President, let me say that the Senator from Louisiana has done heroic work on the bill, and he is a good fighter. But we have only to examine the soil-bank provision of the bill to see that the Secretary will do everything in that connection. Not only will he prescribe and describe, but he will also ascribe. Under the soil-bank provisions we provide that the Secretary shall prescribe the acreage for the entire country. As a result, he would virtually have to measure every allotted acre in the country. So I think the Secretary will be able to do the things required by this amendment.

Mr. ELLENDER. Mr. President, I do not suppose we shall get anywhere by arguing the matter further. I repeat, the administration of such an amendment will be so complicated that it will require employment of a large number of additional personnel. There would have to be people at the packing sheds to weigh each hog and determine what the incentive payment should be as to each hog.

Mr. President, I believe the Senate should reject the amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. KERR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the Senator from Oklahoma [Mr. KERR], I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the modified amendment offered by the Senator from Minnesota [Mr. HUMPHREY] for himself and other Senators.

Mr. JOHNSON of Texas. Mr. President, as I understand, neither the au-

thors of the amendment nor the chairman of the committee desire the yeas and nays on this amendment. So if all time is exhausted, a vote can now be had.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Minnesota [Mr. HUMPHREY] for himself and other Senators.

The amendment, as modified, was rejected.

Mr. KERR. Mr. President, I call up the amendment offered on behalf of the Senator from Georgia [Mr. GEORGE] and myself. It is designated "2-17-56-G."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 27, line 22, it is proposed to strike out "\$250,000,000" and insert "\$500,000,000."

Mr. KERR. Mr. President, the purpose of this amendment is to arm the Secretary of Agriculture with a more effective weapon to carry out whatever provisions may ultimately be in this bill in connection with programs of support by the Secretary of Agriculture for agricultural products.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ELLENDER. In the committee I had offered a proposal authorizing the \$500 million additional of section 32 funds, as suggested by the Senator in his amendment. I am willing to take the amendment to conference.

Mr. KERR. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back his time?

Mr. ELLENDER. I yield back all the time I have.

Mr. KERR. I yield back all my remaining time.

The PRESIDING OFFICER. All unused time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] for himself and the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. There is no amendment pending.

Mr. JOHNSON of Texas. I am not offering an amendment. I am asking unanimous consent to suggest the absence of a quorum without the time being charged to either side, until a certain Senator who has an amendment to offer may have an opportunity to reach the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I offer an amendment to strike out section 307 of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

Mr. MAGNUSON. Mr. President, the purpose of the amendment is quite simple. In the bill there is contained a provision at page 29 headed "Cargo Preference on Sales for Foreign Currency." It is section 307 of the bill. That provision repeals the so-called 50-50 cargo preference law with respect to certain commodities, including some under the agricultural act. Some people in the Department, and others, as well, feel that this provision might be a deterrent to a freer movement under the surplus-sales program.

This question has been discussed at length, and many of us feel very strongly about it. The sole purpose of the 50-50 cargo preference law, which had been added to many foreign aid programs, and was finally made a permanent part of the law by an almost unanimous vote of the Senate, on not 1 but perhaps 8 or 10 occasions, has been a very vital factor in the development of our American merchant marine.

I need not repeat what I have said in the past. Senators have heard me discuss this question before. It is difficult enough to keep our merchant marine alive, without too many unnecessary and high subsidies, even with the 50-50 provision. I believe I could convince the Senate, if I had the time, or if we held hearings, that the repeal of the provision would have very little effect on the broad agricultural program of surplus disposals.

Even if it were true that the provision did have some bearing on the agricultural program, that bearing would be so minute, compared with the almost ruinous situation that would occur in the American merchant marine, that, in weighing the two factors in the balance, I am sure I could convince any Senator—realizing that we have both agricultural problems and merchant marine problems in a troubled world—that we should not retain the repeal provision in the bill before the Senate.

Frankly, I do not believe that, technically, it belongs in the measure. A bill dealing with this subject was introduced by the Senator from South Dakota [Mr. CASE] and the Senator from New Mexico [Mr. ANDERSON]. Oddly enough, that bill was referred to the Committee on Agriculture and Forestry. No hearings have been held on the bill. I believe that logically it should have been referred to the Committee on Interstate and Foreign Commerce, where merchant marine matters are considered.

I see on the floor the Senator from Maryland [Mr. BUTLER], who is the ranking minority member of the Subcommit-

tee on Merchant Marine and Fisheries. Both of us can assure the Senate that we will very promptly hold hearings on that bill, or on the whole subject.

As strong a supporter of the merchant marine as I am, I feel that there should be some modification made in the law, because of the situation in Florida, in California, and in other parts of the country. Certainly it was never intended that perishables should be included in the law. The law should be amended with respect to perishables.

The amount involved is minute so far as tonnage is concerned. In addition, there are very few reefers that fly the American flag. As a matter of fact, the Senator from California and I know that no reefers flying the American flag come to the west coast.

The law affects the shipment of citrus fruits from Florida. We will hold hearings on the whole subject, and we will discuss it with everyone who is interested, including those interested in agriculture and those interested in the merchant marine.

I do feel that the Senate should not include this provision in a broad agricultural bill. It is a separate matter, and it is of vital concern to the merchant marine. We believe that no Senator would want to go along with such a provision if he knew all the facts.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I thoroughly agree with what the Senator has said. I should like to ask him two questions. First, is it not true that 78 percent of exports are shipped in foreign bottoms, even though we have the 50-50 law on the books, because of the fact that American ships are not available at the ports where they are required?

Mr. MAGNUSON. Yes; our merchant marine is in that condition. The foreign maritime countries haul between 77 and 80 percent of our outbound cargoes. Therefore, we are dealing with only 20 percent of the cargoes, and only a small portion of that includes Government-financed programs.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more question?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. The argument is made that the amendment of the Senator, with which I am in hearty accord, would slow up the disposal of surplus agricultural products. Is it not true that the Secretary of Agriculture issued a release this afternoon in which he said that he is pleased to be able to report that as of today not only have actual agreements been made totaling \$1,200,000,000, but that negotiations are also under way that should lead to the disposal of the remainder of the \$1,500,000,000 program in the very near future? Therefore we are ahead on that program.

Mr. MAGNUSON. The Senator is correct. I have received those figures too. The surplus program had a contingent terminal date of June 30, 1957.

Mr. SALTONSTALL. A 3-year period.

Mr. MAGNUSON. Three years; that is correct. The total is \$1,500,000,000.

As of yesterday the Government had reached an agreement with Chile, South Korea, and Turkey, involving a total of \$82 million. The Government has now reached agreements in the amount stated by the Senator, \$1,200,000,000. Furthermore, the Department of Agriculture stated today that they should have a completion of the entire \$1,500,000,000 program in the very near future, and prior to the termination date.

Mr. SALTONSTALL. Therefore the 50-50 provision has not been slowing up the sale of the surplus commodities. Is that correct?

Mr. MAGNUSON. No; I do not believe it has. I think it is of little importance to the program. However, any weighing in the balance of the disastrous effects it would have on the merchant marine must convince Senators that the provision should be repealed.

Mr. SALTONSTALL. I hope the Senator's amendment will prevail.

Mr. MAGNUSON. I thank the Senator. I do not wish to burden the Senate further. I have an array of figures before me. They prove that the 50-50 provision has not had the effect on the surplus disposal program some thought it would have. Without doubt I could convince any Senator that it does have a real effect on our merchant marine, which we are trying to keep alive and adequate. It is a merchant marine that we need.

I assure the Senate, as I have assured the members of the Committee on Agriculture and Forestry, in which I am sure the Senator from Maryland will join me, that we will proceed with the matter efficiently and promptly, and make some modifications if we find that such modifications can be made.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. I am glad to hear the distinguished chairman of the Committee on Interstate and Foreign Commerce assure the Senate that hearings will be held on the measure to amend or change greatly the definition of the 50-50 provision, which in the case of my State has been very, very hurtful in a dollars-and-cents-way.

Mr. President, I should like first to ask unanimous consent to have printed in the RECORD at this point a letter under date of July 12, 1955 addressed to me by Mr. M. E. Hearn, Florida export coordinator. I have already shown the letter to the distinguished Senator from Washington [Mr. MAGNUSON], and I have discussed the letter with the people concerned in Florida.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FLORIDA CITRUS MUTUAL,
Lakeland, Fla., July 12, 1955.

S. 2253.

Senator SPESSARD L. HOLLAND,

United States Senate, Washington, D. C.

DEAR SENATOR HOLLAND: We understand there is a strong possibility of opposition developing on the floor of the Senate over the 50-50 proviso elimination in this bill, recently approved by the Agriculture Committee.

Insofar as fruits are concerned, we questioned the wisdom of this measure which

stipulated that half the cargoes moved by American-flag vessels where Mutual Security Act funds were involved, as far back as February 25, 1954, with the Foreign Operations Administration charged with handling this program. At that time, we pointed out to Mr. Arthur G. Syran, Director of the Office of Transportation in FOA what difficulties were involved in adhering to this condition.

From the practical standpoint of the fruit exporter whose merchandise must move in refrigerated space to assure sound outturns at destination, it has been found that no American shipping concern was interested in diverting scheduled vessels to Florida ports for the European run. When the Spanish citrus freeze hit in early February 1954, we contacted every American shipbroker to find suitable space for the anticipated heavy orange movement out of Jacksonville or Fort Pierce to Rotterdam; the only replies received were from agents of Scandinavian and British shipping concerns. The same thing occurred in the fall of 1954. And, with the exception of an infinitesimal volume going through New York Harbor on regular scheduled European Continent runs by American vessels, every single box of the total volume of 1,500,000 boxes of oranges and grapefruit exported by this State to Europe went by Norwegian, Danish, Swedish, or British boats during the 1954-55 season. There simply are no unscheduled refrigerated boats of United States registry to be found.

The second question raised with the FOA was the matter of freight terms and conditions of payment. In 1954 we were approached by representatives of United States merchant shipping lines operating out of Florida, with the request that we use our influence to get processors to move their canned citrus by American ships. However, United States shipping lines were not prepared either to accept "freight payable at destination by consignee" or "freight payable in currency of country of destination" terms offered by competing foreign lines. To countries overseas, anxious to harbor their dollar reserves, paying for the freight in advance in United States currency was totally unacceptable if that was the requirement of American shipping lines, consequently the overwhelming proportion of the canned citrus exported went on foreign-flag boats. Whether the strict requirements of dollar payment in advance for freight are still in force on United States shipping, we do not know, but the fact still remains that a potentially large volume of business was lost to foreign fleets in past years. And, by giving consistently satisfactory delivery, many European shipping lines are now enjoying steady repeat business from Florida processors exporting to Holland, Germany, Belgium, and other areas.

The third point we raised, and have repeatedly brought up in talks with other fruit trade organizations was that this 50-50 is without question highly discriminatory. As you know, the fruit industry of this country has opposed discrimination in every way, shape, size, and form, not only because we are one of the major victims but also because it hampers the normal flow of international trade and the natural interplay of open competition. We were particularly fearful of the reactions of foreign countries, particularly those maritime nations, traditionally good customers for American fruit, whose international trading deficits are recouped by invisible exports such as shipping and freight receipts. Last December, Mr. J. Henry Burke warned Florida Citrus Mutual's export committee that unless this 50-50 proviso were eliminated from Public Law 480, we could not expect any business in fruits from countries like Denmark and Norway; how accurate his prediction was is shown by the fact that these two markets are closed to us except on highly involved and complicated barter deals.

This 50-50 proviso was the major stumbling block that marred the United Kingdom-United States apple deal in October 1954, and we feel sure Truman Nold will be glad to furnish you with full details on the disastrous results of this delay in the negotiations.

The main point is Public Law 480 is that it is a trading bill, not a relief or gift scheme such as section 402 of Public Law 665. In other words, this country is trying to sell some of its agricultural commodities, not give them away. And, as seller, the United States must follow the wishes of its potential customers as to the means of transportation to be used. If it refuses, then there will be no sale in a number of instances.

Assuming freight rates on different methods of transportation to be equal, we believe a buyer has the option of selecting how his purchase will move from a plant to his warehouse. Atlantic Ocean steamship rates are, we believe, the same whether it be American, British, Dutch, or any other line, as these are determined by steamship conference agreements. So, logically, the foreign buyer should be able to choose what line his purchases under Public Law 480 should travel.

One way to settle any possible controversy over the 50-50 elimination would be to make the sales of eligible agricultural commodities on an f. o. b. United States port basis (and the buyer to select his transportation as he wishes), but to stipulate that any strategic materials acquired with the counterpart funds be moved in United States-flag ships. We suggest this as a compromise in the event of a deadlock during the debate of S. 2253 on the floor of the Senate.

At all events, we should like you to know that we warmly support your position on this piece of legislation, and trust that its passage will result in an increased movement of all agricultural commodities to overseas countries.

Most sincerely yours,

M. E. HEARN,
Export Coordinator.

Mr. MAGNUSON. Mr. President, I wish to point out also that the 50-50 provision is not mandatory, as some people claim it is. It is flexible. It is not mandatory ship by ship. I must say also that some countries have used it as a lever. We had some trouble with one sale to Denmark, in which this matter was brought up. I ran this incident down very carefully, and there was only one sale.

In view of the progress of the general program, and in view of what repeal of the law would do to the American merchant marine, I do not understand what benefits would flow from such a repeal. It is a flexible law. Over the years we have tried to strike a balance and an average.

I remember when I first introduced the 50-50 provision in the first foreign-aid bill some Senator said, "Why 50-50? Why not 100 percent in American bottoms?"

It simply does not work that way, Mr. President. It has not been a hardship on other countries. They haul almost 80 percent of our outbound cargoes, and I think that is more than the lion's share.

We are having a most difficult time keeping our merchant marine alive. We appropriate billions of dollars for the defense of our country, and rightly so. I serve on the Appropriations Committee, and I have voted for those funds. They are appropriated on the premise that if trouble comes it will be away

from our shores. When we go away from our shores, Mr. President, that means that water is involved. Our merchant marine in World War I hauled over 90 percent of the cargoes going to our troops abroad.

Mr. HOLLAND. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield, although I have promised time to the distinguished Senator from Maryland [Mr. BUTLER].

Mr. HOLLAND. This is a very vital matter to our people, and I would not be satisfied by a token recognition and the privilege of asking a question or two, and unless we can show our case in the RECORD.

Mr. MAGNUSON. I yield to the Senator.

Mr. HOLLAND. Mr. President, from the letter which I have just placed in the RECORD I should like to read two quotations, because they show clearly the practical workings in connection with the shipment of fresh and perishable commodities from my State, and, I believe, with reference to the Senator's State, for it applies in even greater measure to Pacific coast shipments.

I quote this paragraph:

From the practical standpoint of the fruit exporter, whose merchandise must move in refrigerated space to assure sound outturns at destination, it had been found that no American shipping concern was interested in diverting scheduled vessels to Florida ports for the European run.

When the Spanish citrus freeze hit in early February, 1954, we contacted every American shipbroker to find suitable space for the anticipated heavy orange movement out of Jacksonville or Fort Pierce to Rotterdam; the only replies received were from agents of Scandinavian and British shipping concerns. The same thing occurred in the fall of 1954. And, with the exception of an infinitesimal volume going through New York Harbor on regular scheduled European Continent runs by American vessels, every single box of the total volume of 1,150,000 boxes of oranges and grapefruit exported by this State to Europe went by Norwegian, Danish, Swedish, or British boats during the 1954-55 season. There simply are no unscheduled refrigerated boats of United States registry to be found.

There is more of the same, Mr. President. I take it that the distinguished Senator from Washington likewise knows that so far as refrigerated space is concerned, we simply do not have it in our American merchant marine.

Mr. MAGNUSON. It affects the State of Washington vitally, because there are practically no shipments on the Pacific coast under the American flag.

Mr. HOLLAND. Mr. President, I shall not undertake to read further from this letter, but there is more to the same effect. The Department of Agriculture has said that until the measure to which reference has been made is repealed, we cannot get any business under Public Law 480 from the United Kingdom and from other maritime European countries.

That warning has been justified, because we have not had any shipment excepting one amounting to \$15,200,000. It was finally worked out as a concession made to us by the United Kingdom, which has received great sums of money from us, but will not deal with us.

Does the Senator from Washington have any objection to placing in the RECORD a copy of a letter from M. E. Hearn, Export Coordinator?

Mr. MAGNUSON. I have no objection.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter from M. E. Hearn, Export Coordinator, to the Senator from Washington [Mr. MAGNUSON].

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CITRUS FLORIDA MUTUAL,

Lakeland, Fla., February 25, 1956.

Senator WARREN G. MAGNUSON,
Chairman, Interstate and Foreign Commerce Committee, United States Senate, Washington, D. C.

DEAR SENATOR MAGNUSON: We deeply appreciate your courtesy and kindness in receiving Mr. Ernest Falk and myself last Wednesday, February 22, when we explained to you the crippling handicaps that face United States agriculture in selling its products to maritime nations under title I of Public Law 480 as long as the 50-50 cargo preference stipulation applies to this legislation.

This conviction was deepened during a recent visit by a 10-man delegation of the Florida citrus industry to Europe investigating export opportunities for our products.

At a luncheon given by the United States agricultural attaché in the Columbia Club, London on January 17, 1956 to which the Florida delegation and top-ranking members of the British Ministries of Agriculture, Board of Trade and Treasury were invited, Mr. R. E. Stedman, Under Secretary for the Ministry of Agriculture openly told the group that until such time as the 50-50 preference clause was stricken from title I of the Agricultural Trade Development Act of 1954 (i. e. P. L. 480), his country would not even discuss purchasing an ounce of United States fruits under the act.

Identical statements were made to that portion of the Florida delegation visiting Norway and Denmark during the trip. The United States Agricultural and Commercial Attachés to Great Britain and Scandinavia likewise confirmed it. Even the many people in the fruit import trades of these countries, who for years have been desperately anxious to resume normal purchases of United States fruit and fruit products frankly admitted that unless this proviso was repealed, the chances of our securing anything but occasional token shipments through section 402 of the Mutual Security Act looked hopeless.

Proof of the position taken by these maritime countries is shown in the official summaries of sales made under title I of Public Law 480 as of October 14, 1955. With one solitary exception—a sale of \$15,200,000—worth of tobacco to England who automatically was raising additional revenue by the excise taxes levied on British tobacco concerns—not one agricultural commodity has been sold to the United Kingdom, Denmark or Norway under this law. Any unbiased parties are emphatic this will continue to be so until the repeal of the 50-50 preference clause.

In a lengthy talk with Mr. R. E. Stedman on February 2, 1956, at the British Ministry of Agriculture, the undersigned was informed that Her Majesty's Government did not dispute the justice and validity of the 50-50 clause under the Mutual Security Act of 1954, Public Law 665, section 402, and title II of Public Law 480 where a definite element of aid was involved. Under title I of Public Law 480, however, the British Government maintains it was Congress' specific intent to place United States agricultural products,

currencywise, on an equally competitive basis as those of competing soft-currency countries, and, as such, it can only be regarded as a trade-facilitating measure. Disposal of the counterpart funds are a purely secondary consideration to the sale itself.

(It might be relevant to note in the sale of \$15.2 million worth of tobacco to the United Kingdom, that the British conceded to waive the 50-50 proviso because the counterpart sterling were diverted to mutually beneficial military projects in the form of housing construction for United States Air Force personnel based in England, and this was considered as an aid project.)

Of considerable significance, too, is these maritime nations point out, without fear of contradiction, that even with the currency convertibility problem resolved for United States agricultural commodities, there are many other countries capable of furnishing these products and are highly competitive both qualitywise and pricewise but who do not demand that 50 percent of the tonnage move in their own bottoms. Boiled down to plain cold facts, United States agriculture, to sell, must be in a position to offer identical terms, right across the board, that its competitors are offering.

Faced with this position, it becomes clear that if we ever hope to sell any substantial amounts of American agricultural products to England, Denmark, and Norway—and it must be remembered they provided an enormous outlet for a wide range of such items prewar—then the 50-50 proviso must be removed from title I of Public Law 480.

Notwithstanding this, we strongly concur with you that our own maritime interests, for national defense purposes, should not be endangered. And it is our belief that if a compromise, mutually acceptable to both agriculture and shipping can be reached, where each group helped in a constructive manner to resolve the other party's problem, such a plan would be infinitely preferable to lengthy hearings and debates in the Senate that might only result in bitterness and resentment.

It was with this in view that we suggested to you last Wednesday, the following solution:

In exchange for eliminating the 50-50 Cargo Preference Act from title I of Public Law 480, add such a stipulation to sections 104 (b) and 104 (d) of that law and, likewise, extend this proviso to cover United States purchases of strategic materials under the Mutual Security Act of 1954, as well as any aid or offshore procurement programs undertaken by the United States Government.

At present all strategic materials acquired under either Public Law 480 or Public Law 665 are not required to move 50 percent in American-flag ships. Yet those purchases are definitely United States-financed commodities. For goods purchased abroad for relief purposes to a third country, these are without question aid programs paid for by this country and the United States merchant marine is entitled to move 50 percent of them in their vessels. Likewise, offshore purchases of materials for airbases overseas (e. g., German cement and steel for United States Air Force bases in Spain) should, by rights move 50 percent in American ships.

Such a plan would not only give the United States merchant marine a fair share in home-bound cargoes by carrying these strategic materials (a type of cargo which you believed highly desirable as many American vessels are presently returning home in ballast which hikes their overall operating costs and outbound freight charges), but it would also give it far greater worldwide operating flexibility, as well as being of general overall assistance in maintaining volume revenue.

We are convinced the additional freight business arising from such a plan would

offset many times any possible loss that may be incurred by eliminating the 50-50 proviso from title I on outbound shipments.

In our conversation, you indicated that such a plan might prove workable. For our part, we feel confident that a concession such as is requested by agriculture from the merchant marine would be reciprocated by agriculture supporting the merchant marine's request to extend the 50-50 proviso to cover inbound strategic material cargoes, aid programs, and other United States Government-financed projects covered by Public Law 665 and Public Law 480 described above.

As we informed you, we are positive that a partial compromise on title I, such as elimination of specific geographical areas (i. e., England, Denmark, and Norway) from the proviso, or eliminating perishable commodities like fruits, or striking it out from private-stock sales, would be totally unacceptable to these aggrieved maritime nations. Their feeling is that a fundamental basic principle is involved, so that a half-hearted gesture would be worse than none at all.

We sincerely hope that you and Senator HOLLAND can get together on this knotty problem and resolve it to everybody's satisfaction.

Very truly yours,

M. E. HEARN,
Export Coordinator.

Mr. HOLLAND. Mr. President, I should like to read from that letter, because it shows again the difficult situation we have met:

At a luncheon given by the United States agricultural attaché in the Columbia Club, London, on January 17, 1956, to which the Florida delegation and top-ranking members of the British Ministries of Agriculture, Board of Trade, and Treasury were invited, Mr. R. E. Stedman, Under Secretary for the Ministry of Agriculture, openly told the group that until such time as the 50-50 preference clause was stricken from title I of the Agricultural Trade Development Act of 1954 his country would not even discuss purchasing an ounce of United States fruits under the act.

Identical statements were made to that portion of the Florida delegation visiting Norway and Denmark during the trip.

Mr. President, there are other words of caution in this letter, which would indicate that greater refrigerated space will not help the situation. It is a serious problem with an industry which does not ask for price supports and has prided itself on building up a very heavy export business. We do not want to be penalized by a provision in our law which was well intentioned, but which has brought distress to our people.

Mr. MAGNUSON. I share the Senator's problem. I have the same one in my State. I can assure the Senator that we shall get at it promptly and try to work it out to the satisfaction of everyone.

Mr. ANDERSON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. ANDERSON. The junior Senator from South Dakota [Mr. CASE] and I have joined in a bill which would bring about the result desired. It has been referred to the Committee on Agriculture and Forestry. It has been suggested that it should be referred to the Committee on Interstate and Foreign Commerce. The Department of Agriculture has reported on it favorably. The State Department has reported on

it favorably, and the Department of Commerce has reported adversely. If the Senator from Washington will say to us that it is not going to be put off and is not going to be stymied, and that there will be an opportunity for farm organizations to be heard, we shall be perfectly happy to have the bill go to his committee.

Mr. MAGNUSON. I assure the Senator that prompt hearings will be had.

Mr. CASE of South Dakota. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. CASE of South Dakota. I think the Members of the Senate ought to know that the bill was introduced on the 20th of July 1955. It is Senate bill 2584. Under date of October 28, the Committee on Agriculture and Forestry was supplied with a favorable report from the Department of State, and on the 2d of November 1955, it was supplied with a favorable report from the Department of Agriculture, but not until March 5 of this year did a report come from the Department of Commerce, and it was adverse. If anyone can read anything from that, it would be that the Department of Agriculture was for it and replied promptly, the State Department was for it and replied promptly, but the Department of Commerce dragged its feet.

The assurance of a prompt hearing is given by the chairman of the Committee on Interstate and Foreign Commerce, but the bill is before the Committee on Agriculture.

Mr. ELLENDER. Mr. President, depending upon what the action of the Senate is on this amendment, it is my intention to request that the Committee on Agriculture and Forestry be discharged from further consideration of the bill and that it be referred instead to the Committee on Interstate and Foreign Commerce. This action on my part, I may state, is predicated on the assurance of the senior Senator from Washington that prompt hearings will be held on the bill.

Mr. MAGNUSON. Mr. President, I should like to say to the members of the Committee on Agriculture and Forestry that I have checked again this afternoon the schedule of the Committee on Interstate and Foreign Commerce. I hope to set the hearings, or I will promise that they will be set, for the week after the Easter recess.

Mr. CASE of South Dakota. I may say, then, as the Senator who introduced the bill—and it was done as the result of a debate and colloquy which the Senator from New Mexico had last year—that with the assurance of the distinguished chairman of the Committee on Interstate and Foreign Commerce, if the bill shall be transferred to his committee, I would not resist the proposal to have the provision removed from the farm bill, because I am perfectly agreeable to having adequate hearings held before the Senator's committee.

Mr. AIKEN. Mr. President, I would object to taking the provision out of the farm bill.

The PRESIDING OFFICER. The time is under the control of the Senator from Washington.

Mr. MAGNUSON. Mr. President, I think I have said as much as I want to say. I wish to yield to the Senator from Maryland, who has been active in this matter and knows about it.

The PRESIDING OFFICER. Will the Senator state how much time he yields to the Senator from Maryland?

Mr. MAGNUSON. How much time have I remaining?

Mr. JOHNSON of Texas. Will the Senator from Washington yield to me, so that I may make a brief announcement?

Mr. MAGNUSON. I yield to the majority leader.

Mr. JOHNSON of Texas. Mr. President, I have talked with many Senators on both sides of the aisle. At present some 60 amendments have not been disposed of. I am certain that about half of them are duplications, and that the Senate probably will not have to act on more than 20 or 30 amendments.

It does not appear that it would be possible to conclude action on the bill tonight, even by remaining in session to a late hour. I have talked with the distinguished minority leader about the situation. We are both very anxious to have action on the bill completed on Monday, if that is possible. We, of course, must be guided by the will of the Senate.

I should like to ask the distinguished chairman of the Committee on Interstate and Foreign Commerce and the distinguished senior Senator from Vermont [Mr. AIKEN] if either of them desires to have the yeas and nays ordered on the amendment. If so, the yeas and nays ought to be ordered, so that Senators may know there will be a yeas-and-nays vote on the amendment. Following the action on this amendment, it is the intention of the leadership to move that the Senate stand in adjournment until 11 o'clock on Monday morning.

I think every Senator should be on notice, wherever he may be tonight and tomorrow, that on Monday the Senate will try to finish action on the bill. There will be several yeas-and-nays votes, and I hope a yeas-and-nays vote on final passage.

I hope the staff members will take proper notice of this announcement, and will notify every Senator who is not in the city that his presence is requested in the Senate on Monday next.

Mr. ELLENDER. Mr. President, can the Senator from Texas give assurance that the Senate will remain in session on Monday until the bill has been passed?

Mr. JOHNSON of Texas. No; the Senator from Texas could never give that assurance.

Mr. ELLENDER. The Committee on Agriculture and Forestry followed this procedure when the bill was about to be reported. If the chairman had not prevailed upon the committee to stay in session until the bill was finally ordered

reported, the committee might have kept the bill under consideration for 2 or 3 weeks longer.

Why do we not agree tonight—right now—that when we convene at 11 o'clock on Monday morning, we will stay with the bill until it has been passed?

Mr. JOHNSON of Texas. Because the Senator from Texas does not want to take the responsibility of asking the Senate to stay in session every night for 2 or 3 weeks.

Mr. ELLENDER. We did that in the committee; and all the members of the committee are in good health.

Mr. JOHNSON of Texas. If the Senator from Texas attempted to do that, I think some Senators might be equally arbitrary, and the first thing I knew the Senate would likely be voting on each of the 60 amendments. The Senate has spent 44 hours this week in actual sessions on the bill. I think that is a good, average workweek.

I do not want to impose my will on any Senator; but I believe the decision which the leadership has reached represents the decision of the majority of the Members of the Senate.

I tried today to get a unanimous-consent agreement to limit the time for debate on each amendment to 15 minutes for each side. Some Senators would not agree to that proposal. The request may be renewed on Monday, if it is thought possible to obtain such consent.

In any event, we will try to finish action on the bill on Monday, if that be at all possible. But I shall not ask Senators to stay in session until midnight or 1 o'clock in the morning when there is no hope of finishing action on the bill. I do not believe there is a single Senator who thinks it is possible for the Senate to act on 60 amendments between now and 12 o'clock tonight.

If the Senator from Washington, or any other Senator, wishes to ask for the yeas and nays on the pending amendment, he may ask for them.

Mr. MAGNUSON. I do not think we need the yeas and nays. I think all Senators understand the importance of the amendment.

Mr. KNOWLAND. Mr. President, will the Senator from Washington yield to me? I will yield myself a half a minute on the bill.

Mr. MAGNUSON. I yield.

Mr. KNOWLAND. I do not know what the judgment of the Senate will be on the question of asking for the yeas and nays. Whichever way the vote on the amendment is handled will be satisfactory, so far as I am concerned. But until that issue has been determined—and no Senator will know the answer until a request has been made and the question determined—all Senators should assume that there will be a yeas-and-nays vote, and should make themselves available when the time for the vote comes.

Mr. AIKEN. Mr. President, I wanted to speak briefly, before a request was made for the yeas and nays, because what I shall say may impress some Senators with the importance of having a yeas-and-nays vote. However, if the Senate is willing to agree to a yeas-and-nays vote now, I shall have no objection.

Mr. JOHNSON of Texas. I suggest that the Senator from Vermont make his request now, and renew it later, if necessary.

Mr. AIKEN. I will make the request now. If I do not succeed now, I shall renew my request later.

Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the past 5 minutes of debate not be taken out of my time, because it was used for a discussion of Senate business, and not for a discussion of my amendment.

Mr. JOHNSON of Texas. I will yield from the time on the bill whatever additional time the Senator from Washington may require.

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the distinguished senior Senator from Maryland.

Mr. BUTLER. Mr. President, I have heretofore spoken on the amendment to some extent. I think the colloquy on the floor shows the necessity, and I may say the absolute necessity, of having the bill which is now before the Committee on Agriculture and Forestry—the Case bill—referred to the Committee on Interstate and Foreign Commerce for a study of the problem involved. It is indeed a very complex problem.

Hasty or improper action, in my opinion, if section 307 shall not be removed, may in one fell swoop destroy the American merchant marine. I point out to Senators that 80 percent of the cargoes of our tramp ships, or our entire American tramp fleet, is the type of cargo covered by section 307. So it can be seen what hasty action would do. It would compel the tying up of our tramp fleet or the transfer of those vessels to foreign flags, which would cost some 3,000 jobs at sea and innumerable jobs on shore.

I think the only proper action for the Senate to take in a case of this kind, where such a weighty issue is involved, is to allow the matter to be referred to the Committee on Interstate and Foreign Commerce, where it belongs, in order that full hearings may be held, and then to have the matter come to the floor, where it can be debated as a single issue. We were perfectly willing to follow that course last year. In the committee we asked that that be done. A bill was introduced by the Senator from North Dakota. Instead of the bill going to the Committee on Interstate and Foreign Commerce, it was referred to the Committee on Agriculture and Forestry. The Committee on Interstate and Foreign Commerce wanted to hold hearings on the proposal. We are convinced that if full hearings are held on the matter, we will demonstrate the correctness of our position.

We know that no Member of the Senate would do anything which would hurt the American merchant marine. We want to air the whole subject.

I plead with the Senate, when the yeas-and-nays vote is taken, to vote section 307 out of the bill. Do not take the chance of destroying the American merchant marine. First, it is necessary to know

all the facts. I say that all the facts cannot be known from the short debate we have had on the proposal.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Maine.

Mr. PAYNE. I am wholly in support of the amendment offered by my colleague, the distinguished senior Senator from Washington.

I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in support of the amendment, together with the text of the conclusions and recommendations of the House Committee on Merchant Marine and Fisheries in House Report No. 1818, 84th Congress. The record then will be rather full and complete, because the hearings which were held by the House committee ran to 599 pages, and the committee report itself contains about 30 pages; it is very comprehensive.

In the 83d Congress I had the privilege of being a member of the Committee on Interstate and Foreign Commerce, which drafted the Cargo Preference Act. I know what it means to the merchant marine of this country to make certain that it has certain rights and privileges.

There being no objection, the statement and report were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

Section 307 of the pending bill would exclude transactions under the Agricultural Trade and Assistance Act of 1954 from the provisions of the Cargo Preference Act. I should like to speak briefly in support of the amendment offered by the distinguished senior Senator from Washington [Mr. MAGNUSON] to delete that section from the pending bill.

During the 83d Congress, it was my privilege to serve as a member of the Water Transportation Subcommittee of the Senate Committee on Interstate and Foreign Commerce when the Cargo Preference Act was drafted. The importance of the American merchant marine to our Nation's defense and commerce is so obvious that elaboration is not necessary during this debate on the farm bill. Nor is this an appropriate time to discuss the problems facing the American merchant marine and the American shipbuilding industry.

The provisions of the Cargo Preference Act (Public Law 664, 83d Cong.) apply only to shipments in which the Federal Government has a financial interest such as foreign aid or surplus farm commodities from CCG bins. It does not apply to ordinary commercial shipments in which the Federal Government has no financial interest. Furthermore, the act does not apply if United States-flag bottoms are not available and it does not apply if they are not available at fair and reasonable rates.

Recently the senior Senator from Vermont [Mr. AIKEN], who is one of the best versed men on farm matters not only in the Senate but in the entire United States, discussed with me complaints he had received from apple growers in his State indicating they were unable to obtain cargo space for apple shipments overseas. These growers blamed the Cargo Preference Act for their inability to obtain cargo space. Since their shipments would be ordinary commercial shipments, the Cargo Preference Act was not applicable to their case. This illustrates some of the confusion in people's minds over the scope and purpose of this law.

Recently the House Committee on Merchant Marine and Fisheries held 10 days of hearings and issued a report on the operation and administration of the Cargo Preference Act with particular reference to its relation to the farm surplus disposal program. The printed hearings run to 599 pages and the committee report to 30 pages; this is a comprehensive and thorough review of this whole question. In its report the House committee propounded eight questions on the relationship of the Cargo Preference Act to the farm surplus disposal program. In abbreviated form those questions and answers are as follows:

Question 1. Has the cargo-preference law impaired the success of the farm products disposal program under title I, Public Law 480?

Answer. It definitely has not.

Question 2. Has the cargo-preference law been detrimental to the title I, Public Law 480, program?

Answer. The evidence shows that only one country, Denmark, has definitely rejected an offer and that amounting to \$7.7 million or about 1½ percent of the total export value of commodities scheduled for disposal.

Question 3. Has the cargo-preference law imposed an excessive financial burden upon the appropriations made available for carrying out title I, Public Law 480?

Answer. Definitely not.

Question 4. Does compliance with the cargo-preference law impose an unwarranted administrative burden upon the Government agencies responsible for its operation?

Answer. Definitely not.

Question 5. Has the cargo-preference established an undesirable precedent in world trade?

Answer. Definitely not.

Question 6. Has the cargo-preference law hindered the efforts of the State Department and other agencies to obtain liberalization by foreign nations of trade restrictions and quotas?

Answer. Nebulous but doubtful.

Question 7. Is the cargo-preference law essential to the American merchant marine?

Answer. Definitely; yes.

Question 8. If the cargo-preference law were made inapplicable to shipments under title I, Public Law 480, could the assistance afforded by its provisions to the American merchant marine be replaced with direct subsidy?

Answer. Definitely not.

The House Committee on Merchant Marine and Fisheries made the following recommendation at the conclusion of its report:

"The committee recommends to the House that it vigorously opposes all efforts to change or modify the Cargo Preference Act as presently applied to Government-sponsored cargoes. The record of the hearings contains overwhelming evidence of the vital relationship between the 50-50 law and the American merchant marine. Any weakening of this law would have tragic consequences."

The information contained in the recent House committee report on this subject indicates that the provisions of the Cargo Preference Act are not an impediment to transactions under the Agricultural Trade and Assistance Act. The report further indicates that the removal of shipments of surplus farm commodities from the cargo-preference program would have serious adverse effects on the American merchant marine. I shall, therefore, support the amendment offered by the distinguished senior Senator from Washington (Mr. MAGNUSON) to strike section 307 from the pending bill.

CONCLUSIONS AND RECOMMENDATIONS, HOUSE REPORT 1818, 84TH CONGRESS

CONCLUSIONS

It became apparent as the hearings progressed that the opponents of the 50-50

Cargo Preference Act were united as to the grounds for objection. The Department of Agriculture listed three separate disadvantages of cargo preference: (a) loss of opportunities to move commodities abroad; (b) added cost to the farm program; and (c) hampering efforts to obtain trade liberalization on agricultural commodities. Basically, the views of all other adverse witnesses fell into one of these three categories. It can be said, too, that by far the most important factor is the position taken by the maritime nations of Western Europe. Perhaps the best way to analyze the merits of all the objections which have been raised to the 50-50 principle, whether major or minor, is to consider the following crucial questions:

1. Has the cargo-preference law impaired the success of the farm products disposal program under title I of Public Law 480?

It definitely has not. This is not a conclusion based upon the fact that during the first 18 months of the program—one-half the 3-year period set in the act—there has been committed for disposal \$769 million worth of farm products, or one-half the \$1.5 billion authorized in the act. Rather, it is the appraisal given by the Government officials of the Department of Agriculture, the Department of State, and the International Cooperation Administration, the very people who oppose the 50-50 law. The Deputy Under Secretary of State went so far as to say that the program was more successful than was originally anticipated. The most that any of these witnesses could say against the law was that it increased the difficulties of negotiation in the case of a few countries.

2. Has the cargo-preference law been detrimental to the title I, Public Law 480, program?

The evidence shows that only one country, Denmark, has definitely rejected an offer and that amounting to \$7.7 million or about 1½ percent of the total export value of commodities scheduled for disposal. Whether Denmark, an historically maritime nation, used the 50-50 clause as an excuse to refuse a deal it did not like for other reasons is not known and cannot be ascertained. There is also evidence that three other maritime nations of Western Europe have delayed negotiations in connection with \$40 million worth of goods, with cargo preference as the apparent cause. Here again, even assuming the transactions are never consummated, although at present negotiations have not broken off completely—quite possibly, a significant fact—it is most speculative to attribute the failure solely to the existence of the cargo-preference law. There are many other factors, not the least important of which is price, which may be much greater contributing factors to the failure of these transactions than the mere manner of shipments.

So, in one sense and looking at the program strictly from the standpoint of disposal agreement failures, it could be said that the 50-0 principle has had some detrimental effect, albeit slight, upon the title I, Public Law 480, operation. However, the only fair approach to this question is to consider also the possible offsetting benefits to the program derived from the cargo-preference law. For example, the shipping expert from the Department of Agriculture readily agreed that without the American tramp fleet—whose continued existence has been made possible by 50-50—and without the ceiling on freight rates imposed by Public Law 664, the cost of ocean freight under the Public Law 480 program undeniably would have been much greater. How much greater, no one obviously can say. But, if 70 American-flag vessels are driven from the high seas and a completely unregulated freight market is left to foreign owners, it might not take long for agriculture to appreciate the true value of the 50-50 law and the American merchant marine.

3. Has the cargo preference law imposed an excessive financial burden upon the appropriations made available for carrying out title I of Public Law 480?

Definitely not. This objection clearly will not stand the test of factual analysis. Here again, the committee refers for evidence not to data supplied by the maritime industry or even by the Department of Commerce, but to testimony from the opponents of the 50-50 law.

As a matter of fact, the committee found that the American merchant marine, through use of reserve fleet vessels for grain storage purposes, is lightening the financial burden upon agriculture appropriations. As a rough calculation, it was estimated that storage charges amounting to almost \$22 million annually are saved through the use of merchant vessels in the several reserve fleets. This is, in effect, an indirect subsidy afforded to agriculture by the American merchant marine.

To date, the ocean freight costs chargeable to the Commodity Credit Corporation have amounted to \$53 million. Of this amount \$27 million was paid in connection with the transportation of goods to five countries, Korea, Thailand, Turkey, Yugoslavia, and Pakistan. These countries have no merchant marines to speak of, and their currencies would not have been acceptable by any maritime nation for the freight charges. Therefore, it was incumbent upon the United States, if the deal was to be made at all, to supply the dollars to cover shipping costs. And this would have been true with or without 50-50.

Of the remaining \$25 million, approximately \$22 million was paid for transporting goods to countries which either have merchant marines or whose currency would be acceptable to foreign maritime nations. The balance of \$3 million represents the differential between foreign- and American-tramp rates which under the law is absorbed by the United States. It is this \$25 million to which reference has been made as constituting an undue and unwarranted burden upon appropriations made available for agriculture. Let us examine the figure more closely in the light of statements from opponents of 50-50.

First, it must be borne in mind that the \$22 million is matched in full by the foreign purchasing country with the currency of that country. True, those funds are available only for use in that country and for certain specified purposes. If, however, some other agency of the United States Government elects to use a portion of the funds, CCC is reimbursed therefore in dollars. Also, at least some of the funds are expended for purposes which can reasonably be expected to result in a direct benefit to American agriculture. (See, for example, market development, sec. 104-a.)

It is important to remember, too, that the amounts paid to United States vessels for freight charges are no higher in the great majority of instances than would be paid to foreign lines. Under the Merchant Marine Act of 1936, an operating subsidy is paid to the liner companies, the effect of which is to equalize their operating expenses with that of their competitors. As a consequence, American liner companies are able to participate with foreign lines in conference agreements fixing uniform freight rates. In other words, this part of the freight costs is no more a burden to CCC than the cost of storing, rail charges, stevedoring, etc.

"But," it has been argued, "if we didn't have to use United States-flag vessels, we could let the foreign maritime nations carry all this cargo and thus save our farm dollars for more disposals." Let us see what the officials of Agriculture and ICA have to say on that score.

Mr. Garnett says, in effect: "Do away with the 50-50 law to appease the foreign mari-

time nations who object to it on principle only, but substitute for it a provision offering to pay 50 percent of all freight charges with American dollars. If you do this, the American merchant marine won't suffer at all because many nations will be eager to have the United States pay the freight. This includes even the maritime nations of Western Europe who oppose the principle of 50-50.

Obviously, Mr. Garnett's suggested substitute would involve the continued use of CCC dollars for freight. He does not contend otherwise. In fact, he said during the hearings that Agriculture has made no effort to conserve dollars in connection with freight charges. The use of dollars for freight has unquestionably facilitated the consummation of transactions with certain countries. In some cases, no deal could have been made otherwise.

But what does Agriculture get for the differential paid to United States tramps? The \$3 million paid in this connection represents less than one-half of 1 percent of total program costs to date. This \$3 million has kept 70 American-flag tramp vessels in operation and available for title I, Public Law 480, cargoes. It stands to reason that the existence of 70 vessels must have had a significant effect on any freight rates which are fixed by the law of supply and demand, as tramp rates are. If any estimate could be made, this factor alone has probably accounted for the entire \$3 million.

In fact, the testimony from all witnesses as to the state of the present market, in which foreign-flag tramp rates have approached and in some cases even exceeded American-flag tramp rates, was to the effect that the control feature of Public Law 664 has acted as "an umbrella" over freight rates and kept them within reasonable limits.

It was inferred during the hearings that the administrative agencies do not ask of Congress any additional funds to cover this differential and, therefore, they feel it is a dissipation of funds appropriated for other purposes. This is entirely erroneous. The Congress appropriates funds to CCC for this freight differential just as definitely as if it were spelled out in terms. With the enactment of Public Law 664, containing specific authorization for cognizant agencies to absorb such an expense, each appropriation thereafter must be regarded legally as made available for such a purpose. The mere fact that the differential is not included in the budget request is immaterial.

Under those circumstances, can it logically be contended that the Cargo Preference Act imposes an "excessive" burden upon CCC appropriations? There may be some cost involved to be sure, but no objective analysis could fail to result in a finding that on the whole the money is well spent. It is to be hoped that the American taxpayer gets as much value out of the remaining \$744 million as he does out of the \$25 million in question.

4. Does compliance with the Cargo Preference Act impose an unwarranted administrative burden upon the Government agencies responsible for its operation?

Definitely not. As with all laws imposing restrictions or limitations upon the operations of the executive branch, some detail is necessarily involved in adhering to the provisions of Public Law 664. The advertising-for-bids laws, the fair labor standards laws, the printing and binding laws, the Buy American Act, and a myriad of others, involve some expense in the course of administration. And those employed in the various executive departments have from time to time expressed desires to be free of such controls. But in the last analysis, the Congress must be governed not by what any one individual or group of individuals may desire but by what is finally determined to be in the best interests of the entire country. In the case of the 50-50 law, even those

charged with its administration said it was not unduly burdensome to carry out.

5. Has the cargo-preference law established an undesirable precedent in world trade?

Definitely not. The simple answer to this question is that any country which gives of its wealth to others or which sells its goods to others and then furnishes the money for the sale should have the right to carry one-half the goods. Of course, it is a known fact that the United States is the only Nation on earth in this category. But should Canada or any other nation with a surplus on hand decide to follow the precedent set by the application of 50-50 to title I of Public Law 480, the action would be not only understandable, but consistent with plain commonsense and in accord with every principle of equity and fair play.

6. Has the cargo-preference law hindered the efforts of the State Department and other agencies to obtain liberalization by foreign nations of trade restrictions and quotas?

This is another of those nebulous areas where no concrete answer is possible. We do know that many of the restrictions and limitations antedate the 50-50 principle in our law. We also know that cargo preference is only one of a great number of tariffs, quotas, restrictions, and contracts applicable to our foreign trade. Who is to say that the removal of one would have any appreciable influence in negotiations with foreign countries? None of the witnesses who cited this as an obstacle could say with certainty—or even with uncertainty, for that matter—that repeal of the cargo-preference law would guarantee removal of even one foreign restriction. Candidly, it is the view of the committee that this is one of those reasons that opponents of the 50-50 principle find it convenient to "toss in the pot" without fear of being clearly contradicted.

7. Is the cargo-preference law essential to the American merchant marine?

Definitely yes. The fact is that no member of the committee, informed as they are with respect to maritime matters, realized prior to the hearings just concluded how vitally necessary the Cargo Preference Act is to the American merchant marine. The more serious problem presented by the evidence now of record before the committee concerns the fate of our merchant fleet when the aid programs of the Government terminate. But first let us analyze the existing situation with the aid of uncontested statistics.

There are today a little over 1,000 ships in the active operating American merchant marine. Even the most conservative estimates from defense experts place this figure as representing a deficiency of several hundred vessels from what would be needed immediately upon the outbreak of a new war. Moreover, today the American merchant marine is carrying about 23 percent of the export-import commerce of the United States. In exports alone, where the aid cargoes are assured to United States-flag ships by force of the 50-50 law, some statistics showed we are carrying only 16 percent overall and the foreigners, the remaining 84 percent.

It has been suggested, however, that the American-flag liner fleet should compete on equal basis for all cargo, both commercial and Government-sponsored, and that the direct subsidy received by that segment should make such competition possible. The committee inquired into that phase of the problem specifically. It requested testimony from traffic men doing business on all three coasts of the United States and the direct question was put to them: Why can't you compete on equal basis with the foreign liners without the aid of 50-50?

The answer lies in a combination of factors each detrimental to American-flag shipping. One reason is that the nationals of other countries prefer to ship under their own

flag and take steps to see that this is done. Shippers in this country do not have the same preference or at least do not have the bargaining power necessary to accomplish the result. There is, of course, the dollar exchange problem which provides added impulse to the foreign exporter or importer. He is in a position where he must conserve dollars.

Another cause is traceable direct to the foreign governments themselves. And here we find the same countries who object to the protection afforded the American merchant marine under the 50-50 principle. Whenever the opportunity presents itself, these governments direct or instruct that the cargo be shipped in vessels of its own flag. Unfortunately, those in charge of directing shipping for United States Government cargoes are not governed by the same policy. If they were, specific legislation to effect cargo preference for Government-sponsored cargoes might not be necessary.

In July 1954, there were some 130 vessels in the American tramp fleet. Many were laid up for lack of cargoes and the remainder were barely able to make ends meet. The Maritime Administrator permitted almost half of these to transfer to foreign registry hoping that there would be enough United States Government-sponsored cargo to keep the remaining 70 vessels operating. These vessels are today in active operation. However, every competent maritime authority has stated that repeal of the cargo-preference law would result in the immediate demise of the entire American tramp fleet. The facts support this inasmuch as 78.5 percent of the business of American tramps during 1955 involved aid cargo. It is somewhat unusual that they were able to secure the remaining 21.5 percent on a purely commercial basis. The only explanation is that they happened to have vessels in the right places at the right times.

Aid cargoes accounted for 19.4 percent of American-flag liner carryings. If the 50-50 law were repealed, there is no reason to expect that the liners would be able to obtain any greater percentage of Government-sponsored cargo than in the case of their existing carryings of commercial cargo. The impact upon their financial condition which the loss of this business would entail could well mean the demise also of some of the marginal companies in the industry. It would also reduce the profit of even the most successful companies so seriously as to jeopardize the rebuilding program now just getting underway. Indeed, some companies might be so discouraged with the future prospects of the industry as voluntarily to abandon plans to replace their existing fleets.

So, the committee has concluded not only that the cargo-preference law is vital to the American merchant marine but that the national defenses of the United States would be needlessly jeopardized by any weakening changes in the provisions of Public Law 664. The tragedy of the situation is the lack of knowledge and understanding of the problem by those who publicly favor some amendment of the law. Those who testified along that line professed to having no facts on the effect such action would have on the merchant marine. They had chosen to study the matter of cargo-preference only from the standpoint of its impact upon American agriculture and international relations. The result was that the case they attempted to make out for changing the 50-50 law fell apart almost at the outset. The weakness of the opponents' case will be surprising to all who read the record.

8. If the Cargo Preference Act were made inapplicable to shipments under title I of Public Law 480, could the assistance afforded by its provisions to the American merchant marine be replaced with direct subsidy?

Definitely not. The Cargo Preference Act is designed to assure 50 percent of all United States Government sponsored cargoes to United States-flag ships. The operating expenses of United States-flag liner services are already on a parity with those of foreign competitors by reason of the subsidy granted them under the Merchant Marine Act of 1936. However, this subsidy is paid only on the basis of expenses actually incurred on voyages made and invoices submitted to the Maritime Administration. So, under the 1936 act, the proposition is simple: No cargo—no voyages and no voyages—no subsidy—which sooner or later, means no American merchant marine.

Also, under the Merchant Marine Act of 1936 the Government is in partnership with the subsidized lines. Through the Federal Maritime Board and Administration the Government has a direct hand in the management of each company. This can, and often does, involve matters such as dividend policy, buying procedures, accounting controls, overhead expense, number of vessel sailings, and other operating details. Then each year the Government shares in the profits of the subsidized companies to the extent of one-half of all profits in excess of 10 percent of the capital. Is it so strange that this same Government should take steps to assure its merchant fleet of 50 percent of all cargoes sponsored by the Government?

To substitute direct subsidy for cargo preference would be wholly unfeasible and unjustified. In the first place, it would represent a complete departure from the parity principle of the 1936 act. It would involve an outright grant of money to the lines measured by their loss of business to foreign lines upon the repeal of the 50-50 law. During 1953 and 1954 American-flag ships carried 5,200,000 tons of aid cargo out of a total of 9,500,000 tons—or about 54 percent. At the present time, American-flag ships are carrying less than 20 percent of our exports including aid cargo. So, we could expect repeal of cargo preference to cause a loss of more than four-fifths of United States vessel carryings of aid cargo. For 1953 and 1954 this would have meant the loss of 4 million tons. During the hearings, the Maritime Administration used an average freight rate of \$15 a ton which would have meant an outright payment of \$60 million to United States companies to cover their losses without 50-50.

The amount of this payment is not nearly as shocking as the realization that we would be getting nothing for it. It would be the most inexcusable economic waste of public funds ever committed by the United States Government. We would be, in effect, paying twice for the same service, once to the foreign lines for carrying the freight and once to the American lines for not carrying it. Could there be anything more ridiculous than that?

The problem of whether a direct subsidy should be made available to United States-flag tramp vessels involves entirely different factors. Such a subsidy would unquestionably render unnecessary the present freight rate differential paid to American tramp vessels and which is chargeable to CCC funds so far as concerns shipments under title I of Public Law 480. It was stated during the hearings that this has amounted to about \$3 million. Since, however, the differential is clearly delineated, so to that extent is not hidden or disguised, and since the amount involved is so small in comparison to the overall program as not to impede its success in any way, the question of whether the financial assistance necessary to keep the United States trap fleet in active operation is charged to one appropriation or another does not impress the committee as being of crucial importance. The vital problem is retaining for all segments of the American merchant marine, including tramps, the

cargo carryings made possible only by force of the Cargo Preference Act.

Recommendations

1. The committee recommends to the House that it vigorously oppose all efforts to change or modify the Cargo Preference Act as presently applied to Government-sponsored cargoes. The record of the hearings contains overwhelming evidence of the vital relationship between the 50-50 law and the American merchant marine. Any weakening of this law would have tragic consequences.

2. The only other recommendation the committee has to make is addressed to the Federal Maritime Administration. The hearings just concluded disclosed an inherent weakness in the American merchant marine. The statistics on the percentage of participation by United States-flag vessels in the export-import commerce of this country show that our ships are carrying less than one-fourth of our foreign commerce and that no improvement is in sight. In fact, United States carryings are on the decline.

The Cargo Preference Act applies only to aid cargoes, including the disposal of farm surplus under title I of Public Law 480. If United States-flag vessels are carrying less than 20 percent of our exports even with the assistance of the 50-50 law, what will happen when the aid programs of the Government cease?

The shipping companies attribute this deficiency in the main to exchange controls and the strong nationalistic feeling which foreign shippers and buyers have for their own flag vessels. If that is so, what are we in this country to do to protect our merchant fleet?

The other question that naturally arises involves the efficiency of our American-flag companies in the field of cargo solicitation. Is every possible effort being made by these companies to obtain business? What are the circumstances preventing them from securing more cargo, and are these circumstances actually beyond their control?

The committee requests that a study be made of these matters and that a full report of the findings be furnished to it as soon as possible.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The bill which was introduced by the Senator from South Dakota [Mr. CASE] and the Senator from New Mexico [Mr. ANDERSON], S. 2584, has been before the Committee on Agriculture and Forestry for quite some time. Many representatives of the shipping industry had requested that the committee hold hearings before taking action on the measure. As long ago as last summer I had indicated to them that hearings would be held and that those opposing the bill would be given an opportunity to testify.

When the proposal was made to insert section 307 in the pending measure, I made it known to members of the committee, as the committee's minutes show, that we had not held hearings on this issue. Notwithstanding that fact, the committee voted to put the section in the bill. The language was inserted based chiefly on a report which the committee had received from the Department of Agriculture. I wish to read from a summary of that report, which appears at the bottom of page 26 of the committee report on the pending measure. It reads as follows:

The Department reported favorably on S. 2584, a bill to exempt the title I program

from cargo preference, for the following reasons:

First, we have lost opportunities to move commodities to a number of countries. Only one country, Denmark, has definitely rejected the possibility of negotiating a title I program because of cargo preference. Difficulties in securing acceptance of cargo preference by three other maritime nations have delayed negotiations for extended periods. These negotiations have not been terminated, however, and efforts are being continued to overcome this resistance. It is impossible to estimate with any degree of accuracy the value of commodity movement lost because of this problem.

Second, the cargo-preference requirement has resulted in added cost to the farm program. It is necessary to provide dollar financing of ocean freight charges on United States-flag vessels required to be used. Total freight approved for financing during 1955 was about \$31 million. About \$12 million of this was on United States vessels required to be used in programs with maritime nations which carried all or substantially all of the non-United States-flag tonnage in their own vessels. In the absence of the United States-flag requirement these countries could be expected to participate in the program without any financing of ocean freight by the United States.

In addition to financing the freight charges on United States-flag vessels required to be used, it is necessary for the United States to absorb the differential resulting from use of such vessels where shipment would be cheaper on foreign-flag vessels. On vessels approved during 1955, differentials amounting to about \$3 million will have been paid by CCC. This amount will not be covered by foreign-currency payments of the importing countries.

Third, the cargo-preference requirement is hampering efforts to obtain trade liberalization on agricultural commodities. Many importing countries discriminate against imports of United States commodities through quotas, exchange controls, and other restrictions. The Department of Agriculture is making a determined effort to obtain liberalization of such restrictions as part of its overall program to expand exports of United States farm commodities. Obviously, it is difficult for the United States to argue for the lifting of restrictions while imposing restrictions of its own. Maritime nations argue that the freedom of their merchant fleets to compete in the world market is as important to them as the freedom of our farmers to compete in the world market is to us.

The PRESIDING OFFICER. The 5 minutes of the Senator have expired.

Mr. ELLENDER. I yield myself 5 minutes more.

Mr. President, it is neither my desire nor my intention to do anything that will bring harm to our merchant marine. I think we ought to protect it to the extent of our ability. We are now paying quite a large amount in subsidies to the merchant marine.

We have the assurance of the distinguished Senator from Washington that S. 2584, which is now before our committee, will receive hearings following the Easter holidays.

As I stated a moment ago, it will be my purpose, if the Senate agrees, to have the Committee on Agriculture and Forestry discharged from further consideration of that bill, and permit the bill to go to the committee where it probably should have gone in the beginning. I am sure if it is referred to that committee, and based upon the assurance received

from the Senator from Washington, we can depend upon hearings being held soon.

It is my concern and my hope that if and when hearings are held, the committee will go thoroughly into the matter. Many of us have suggested that our surplus supplies be sold to foreign countries and that we accept their currencies.

It strikes me that where such sales can be effectuated, and the local-country currencies are used by us in order to purchase goods from them, this constitutes a bona fide sale and should not be subject to the 50-50 shipping clause. But in cases where we accept the currencies of the foreign countries, and in turn lend the proceeds to them, in return for small interest payments, under such conditions that we may never receive payment of the principal, I believe we can rightly place such sales in the category of gifts and donations.

So I am going to ask my good friend from Washington to try to devise some ways and means whereby, if it is at all possible, in the case of bona fide sales where we are permitted to use the moneys received from the foreign countries with which to buy things we need, we can exempt such sales from the provisions of the Cargo Preference Act.

I am in thorough agreement with argument advanced by the proponent of the proposal, that where we accept foreign currencies, and then give them away as donations and loans, which will never be repaid, those transactions should not be exempt from cargo preference. If language could be worked out whereby the purpose I have expressed could be accomplished, I think it would satisfy most of the Senators who favor amending the Cargo Preference Act.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BUTLER. I should very much like to see some such arrangement worked out. The testimony by the representatives of the Department of Agriculture before the House committee was that in all cases none of the money could be spent by us except after collaboration with the other parties and under their terms.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 2 more minutes.

Mr. BUTLER. It seems to me that is a field we can well look into. It points up the necessity of looking into the refinements of this very complicated matter.

Mr. ELLENDER. I do not believe there will be any quarrel over the matter if some language can be worked out whereby we can protect bona fide sales as distinguished from gifts, donations, and loans. That is what we argued against in the committee for quite some time.

Mr. BUTLER. May I suggest that the act itself now says it shall not apply to commercial sales. Perhaps the language should be clarified. We do not intend to have it apply to ordinary commercial sales.

Mr. MAGNUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 2 more minutes.

Mr. MAGNUSON. I assure Senators what has just been referred to is one of the complicated evils of the matter. Secondly, it also points up the necessity of going into the subject. The Senator and I are members of the Committee on Appropriations. He knows we are now appropriating a great deal of money to buy strategic materials in other countries. We have never had provisions affecting incoming cargoes. It might be well, when we look into the whole program, to see if we can find a way of making up a great deal of the tonnage by having some sort of arrangement whereby we would pay our cash to a country for strategic materials, and have them brought in as incoming cargo. The arguments all point up the necessity of doing what I suggested to the Senate.

Mr. ELLENDER. Mr. President, I regret that this section was put in the bill without hearings. As has been demonstrated this afternoon and part of the evening, the questions involved are very complicated.

I repeat, it is my hope that the Committee on Interstate and Foreign Commerce will look into the matter immediately, and will report a bill which we may be able to act upon at this session. Let us not delay this matter until next year. Instead, let us try to pass clarifying legislation before Congress adjourns.

Mr. President, I ask unanimous consent that the language appearing at the bottom of page 25 of the report, beginning with the heading for section 307, the section referring to the report explaining the position taken by the committee, and continuing to the point where I began to read from the report, be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the excerpt from the report (No. 1484) was ordered to be printed in the RECORD, as follows: SECTION 307. SALES FOR FOREIGN CURRENCY EXEMPTED FROM CARGO PREFERENCE

Section 307 removes sales for foreign currency under title I of the Agricultural Trade Development and Assistance Act of 1954 from the requirement of the cargo preference statute, Public Law 664, 83d Congress, that at least 50 percent of commodities transported on ocean vessels under certain foreign aid programs and other Government programs shall be transported on privately owned United States-flag vessels.

From the inception of the title I program under Public Law 480 through January 31, 1956, agreements have been entered into with 22 countries providing for the sale of approximately \$517 million worth of commodities at export market value. The cost to the Commodity Credit Corporation of financing these sales will be about \$769 million. Ocean freight costs involved in moving these commodities and financed by the United States will amount to about \$53 million. The export market value of the commodities plus the amount of ocean freight financed, except for differentials absorbed by the United States, is paid by the importing countries in their own currencies.

In applying the cargo preference law to the program, at least 50 percent of each com-

modity to each country is required to be moved on United States flag vessels, if available. Also, at least 50 percent of shipments in each of the categories, liner, tramp, and tanker are required to move on United States flag vessels, if available. Compliance with these requirements is assured through prior approval by the Department of all vessel charters and liner bookings.

The Commodity Credit Corporation finances ocean transportation costs on United States vessels when such vessels are required to be used in order to assure compliance with the provisions of the Cargo Preference Act. The amount by which freight costs on such vessels exceed the prevailing rate on foreign flag vessels is absorbed by the United States. Ocean transportation costs on United States vessels over and above that necessary to comply with the provisions of the Cargo Preference Act and on third country vessels is financed only to the extent that the importing country is unable to pay such costs. Transportation costs on vessels of the importing country are not financed under the program.

Approximately 53 percent of the total tonnage was approved for shipment on United States-flag vessels. Tramp tonnage was about 81 percent of the total, liner tonnage about 18 percent, and tanker tonnage about 1 percent. The 18 percent liner tonnage breaks down, 13 percent United States flag and 5 percent foreign flag. Tramp tonnage divided about 40 percent United States and 41 percent foreign, the 1 percent in favor of foreign tramps being the result of the shortage of United States-flag tramps to carry wheat to Yugoslavia during February of 1955. Since that time no appreciable difficulty has been experienced in the chartering of sufficient United States-flag vessels.

Your committee is firmly convinced that the maintenance of our merchant marine fleet is essential to national welfare and security. However, such governmental support as is necessary for maintenance should be directly provided and should not be at the expense of the farm program. The word "expense" is used in this connection to connote not so much monetary expense as the expense of curtailed dispositions of surpluses under the program and hampered efforts to obtain the liberalization of restrictions against the commercial importation of United States agricultural products into maritime nations.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished Senator from Vermont.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from Vermont is recognized for 10 minutes.

Mr. AIKEN. Mr. President, I cannot be too much disturbed because the Senator from Washington [Mr. MAGNUSON] thinks this matter should be recommitted and that extensive hearings should be held on it, because the 50-50 cargo preference provision got into the law, if I correctly recall, as a rider, with no hearings held, and no notice given that it would be voted on, and no quorum call at the time when it was voted on. The result was that very few Senators were on the floor at the time; in fact, I, myself, was not present when that action was taken. So why should there suddenly be so much excitement about having extended hearings on the matter now?

It is my opinion that if hearings were held on it, this year, an election year, when the attention of Members is necessarily given to so many different matters, to recommit the provision to the com-

mittee would mean that the provision would be killed.

Of course, we do want to have a strong merchant marine; and, Mr. President, our country has been more than generous to its merchant marine. We have given our merchant marine literally billions of dollars.

Mr. BUTLER. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. No; Mr. President, I cannot yield, because I want to present my side of the case for the RECORD; and I cannot yield time to the opposition.

Mr. President, we have literally put billions of dollars into our merchant marine, and we are continuing to be very generous to our merchant marine during peacetime.

I understand that this fiscal year we are appropriating \$80 million to help our merchant marine meet the competition with which it is faced. I understand that the President has requested more than \$164 million for the merchant marine for the coming fiscal year. I also understand that during the current fiscal year, \$110 million is available to pay the merchant marine operating subsidy, and that proposals to increase that amount to \$124 million for the next fiscal year are being made. Approximately \$5 million is requested for research and development and an additional \$2,800,000 is requested to help train merchant marine officers.

So we have been very generous—generous in the extreme—to our merchant marine. It is perfectly right that we should have a strong merchant marine, but we should not let our merchant marine reduce the income of farmers.

I understand that the merchant marine has just had its best year in peacetime history. However, our farmers are caught in a price-cost squeeze. How are we trying to help them? Our export markets are extremely essential if we are to find a solution to the problems caused by the surpluses of agricultural commodities. We have to export 4 out of every 10 bales of cotton we produce, or at least we should. We have to export 3 out of every 10 bushels of wheat. We have to export 4 out of every 10 bags of rice. We have to export 25 percent of our tobacco and soybeans.

Public Law 480—the Agricultural Trade Development and Assistance Act, which was passed in 1954—is an important tool in this struggle. Title I of that act is not merely a surplus-disposal program. It is a means by which we can convert a portion of our huge surplus into working capital and use that capital to help create and expand permanent markets for farm products.

Mr. President, this program has been successful. This week we have learned that surplus United States agricultural commodities worth \$1,218,000,000 have already been disposed of abroad. There is a chance to widen this market even more than that.

Mr. President, I ask unanimous consent to have the report of the United States Department of Agriculture, dated March 14, printed at this point in the RECORD, as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

TITLE I, PUBLIC LAW 480, COMMITMENTS PASS BILLION-DOLLAR MARK

WASHINGTON, March 14, 1956.—Secretary of Agriculture Ezra Taft Benson today announced that agreements totaling \$1.2 billion have been signed for export sale of surplus United States agricultural commodities, under title I of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954.

This law provides for sale of commodities to friendly foreign countries for their currencies, thereby helping meet convertibility and dollar-shortage problems and facilitate export of farm surpluses.

"This represents excellent progress," Secretary Benson said. "The program was set up by the Congress for 3 years, ending June 30, 1957. The goal of \$1.5 billion in export commitments was to be reached as rapidly as possible. We are pleased to be able to report that as of today, not only are actual agreements signed that total \$1.2 billion, but also negotiations are underway that should lead to commitments for the remainder of the allotted \$1.5 billion in the near future.

"The program is having timely and helpful effect. It has given strength to our foreign and domestic markets at a time when such strength has been needed.

"Thanks in big part to the program, our agricultural exports have been able not only to hold their own in the face of increased world competition but, on a volume basis, have increased 16 percent during the past 2 years. And these gains appear to be continuing."

The \$1.2 billion of title I commitments since the fall of 1954 is based on Commodity Credit Corporation value of commodities. It represents well over \$900 million export value of commodities. The mark was attained this week with the signing of agreements with Chile, Korea, and Turkey.

A total of 50 agreements have been made with the following 25 countries:

Latin America (6): Argentina, Brazil, Chile, Colombia, Ecuador, Peru.

Western Europe (10): Austria, Finland, France, Germany, Greece, Italy, Spain, Turkey, United Kingdom, Yugoslavia.

Far East (7): Burma, Indonesia, Iran, Japan, Korea, Pakistan, Thailand.

Middle East (2): Egypt, Israel.

It is estimated that title I agricultural exports during the current fiscal year will total from \$500 million to \$550 million. This would represent about one-sixth of expected total farm exports.

During the 6 months, July through December 1955, title I exports totaled about \$217 million. Commitments made prior to

that time have largely been carried out, except for cotton, and here it is expected that the recently announced export sales program for all upland cotton should substantially increase exports after August 1.

Commodity highlights:

Rice: Export commitments recently made or in process will virtually wipe out Government holdings of surplus milled rice resulting from 1953 and 1954 crops. Programs announced a few days ago will result in the movement of almost as much rice as the total United States rice exports in fiscal year 1955. These programs include 7,800,000 bags of rice for Indonesia and Pakistan under title I, as well as an additional 1,320,000 bags programed for Pakistan under title II of Public Law 480, administered by the International Cooperation Administration.

Wheat: The program has helped maintain United States wheat exports, despite increased foreign competition. An estimated 40 percent of all United States wheat exports are now moving as a result of title I arrangements. To date, more than 120 million bushels of wheat have been programed. Through January, 64 million bushels had been exported.

Livestock products: Yugoslavia has purchased nearly 88 million pounds of lard under the program, which has helped bolster the domestic lard market. Israel is beginning procurement of 40 million pounds of beef, recently arranged for. Programs recently signed with Spain and Korea include 28 million pounds of pork products. An agreement has been made with West Germany that includes 3 million pounds of poultry.

Vegetable oils: Since July 1955, title I agreements have included about 700 million pounds of vegetable oils. This programing has been a major factor in strengthening markets for soybeans and cottonseed.

Tobacco: Largely due to title I sales, exports of United States tobacco in 1955 exceeded the previous year by about 15 percent. Agreements with Korea and Burma represent the opening of new markets for United States tobacco. Under an arrangement with the United Kingdom, it is making an equivalent value of housing available to the United States Air Force in return for \$15 million of United States tobacco.

Cotton: From July through December 1955, title I exports of 307,000 bales accounted for 40 percent of total United States cotton exports. A total of 1½ million bales has been programed under title I, with nearly half of this due to agreements signed during the past 6 weeks.

Fruits and vegetables: Within the last few weeks 2 program agreements have been signed providing for the sale of fruit and 1 for the sale of potatoes.

Approximate quantities of commodities included in title I, Public Law 480 agreements

Commodity	Quantity		Market value	CCC cost
	Unit	Amount		
		Thousands	Millions of dollars	Millions of dollars
Wheat.....	Bushel.....	120,908	208.0	406.8
Feed grains.....	do.....	45,418	55.4	86.9
Rice.....	Hundredweight.....	9,926	65.2	119.1
Cotton.....	Bale.....	1,302.3	238.9	238.9
Cotton linters.....	do.....	16.7	.3	.3
Tobacco.....	Pound.....	96,753	62.6	62.6
Dairy products.....	do.....	89,366	19.4	33.2
Fats and oils.....	do.....	1,022,326	153.4	161.9
Poultry.....	do.....	3,000	1.2	1.2
Dry edible beans.....	Hundredweight.....	37	.3	.3
Fruits.....	Pound.....	4,630	.5	.5
Potatoes.....	Hundredweight.....	667	1.4	1.4
Hay and pasture seed.....	do.....	55	2.5	4.0
Meat.....	Pound.....	81,284	25.1	25.1
Total commodities.....			834.2	1,142.2
Ocean transportation.....			75.8	75.8
Total agreements.....			910.0	1,218.0

Mr. AIKEN. Mr. President, this program has been successful. As I have said, we have sold over \$1 billion worth of commodities—almost one and one-fourth billion dollars worth. However, we have not been able to utilize this law to the maximum.

The United Kingdom, the Netherlands, Sweden, Norway, and Denmark purchased \$694,500,000 worth of farm products from the United States in 1954. That represented over 23 percent of all our agricultural commodity exports. Then we applied this cargo preference for our shipping interests to the law. When we tried to deal with those countries under title I of Public Law 480, we found that we cannot do business with them in that way, and we have not yet been able to develop any markets in those countries for our agricultural commodities through sales of present surpluses for their currencies. Indeed, in all of these countries, put together, we have had only one sale—of \$15 million—since Public Law 480 went into effect. That sale was in the United Kingdom, and it was made possible only by agreeing to restrict the use of the foreign currency to the construction of military housing.

Most of these countries are maritime nations; and they have told us that they will not buy our products if we try to dictate to them how the commodities are to be shipped, when they are buying the products and are paying for them in their own money.

Mr. President, at this point I should like to read an excerpt from a letter from Mr. John Chandler, executive vice president of the New England & New York Apple Institute. He writes as follows:

British markets have always been our best foreign outlets. We have been making progress in regaining these markets under licensed quota in private transactions between growers and shippers here and importers in England. The British currency has been handled by the Mutual Security Act, section 402, which we understand expires shortly and will be superseded by Public Law 480.

So we are vitally interested in Public Law 480, but we are advised by the import buyers in Britain that their government will not permit them to buy apples under Public Law 480 unless the 50-50 shipping requirements are removed. The United States Department of Agriculture confirms that this is a serious issue.

Mr. President, this is a serious issue for our fruit growers in New England, New York, Virginia, Washington, and Oregon. The best export market in the world is simply gone; and those countries will not buy our apples, so long as we require that they move half of them in our ships, and let their own ships go somewhere else.

Mr. MAGNUSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. Mr. President, I have only 10 minutes; and I have some other things to say.

Mr. MAGNUSON. But I am sure the Senator from Vermont would not want the RECORD to be incorrect.

Mr. AIKEN. Mr. President, will the Senator ask the question he has in mind in his own time?

Mr. MAGNUSON. Yes.

Mr. AIKEN. Very well.

Mr. MAGNUSON. It is not true that because of the 50-50 provision we cannot move perishables. This situation applies to the overall tonnage. It does not apply ship by ship.

Mr. AIKEN. It is true that after the war England did not buy our apples. She started to buy them again, and when we applied the 50-50 cargo preference, we knocked the market for New York, Virginia, New England, Oregon, and Washington apples into a cocked hat.

Mr. MAGNUSON. The problem of refrigerators in the United States fleet is such that I think the committee will be unanimous in taking care of the situation in relation to perishables.

Mr. AIKEN. I am not impressed by the answer some give, that those countries are only bluffing, and that they will eventually have to buy from us. The fact is that if this is a bluff, it has already lasted a year and a half, and shows no evidence of abatement. In the meantime, our fruit growers and producers of other commodities are losing sales overseas. In those countries in 1954 we did almost \$700 million worth of business in agricultural commodities.

Let me give 2 or 3 concrete examples, if I have time.

In March 1955, after 6 months of negotiations, the United Kingdom completely rejected a \$45 million sale because of cargo preference.

On April 4, 1955, Denmark officially rejected a \$7,700,000 sale because of the cargo preference.

Norway has continued to refuse a \$11 million sale which we had arranged with her.

Sweden also refuses to buy. This is plenty of proof. I do not know how many other cases there are. These four were handed to me. They are graphic proof that cargo preference has severely handicapped operations under Public Law 480 in some of our best potential markets.

Most of our purchasers would have been able to buy and pay for this transportation themselves. Oftentimes, indeed, they would have hired American ships under normal competitive conditions, and paid for them out of their own dollar exchange.

The latest information I have, containing figures for grain, indicates that there is a difference of \$3.50 between American and foreign tramp vessels. That is 10 or 12 cents a bushel.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. AIKEN. I do not know whether I have any time left.

The PRESIDING OFFICER. The Senator has 30 seconds left.

Mr. AIKEN. The latest figure is \$3.50.

Mr. BUTLER. \$3.50 for what?

Mr. AIKEN. \$3.50 a ton.

Mr. BUTLER. Is that the differential between the American rate and the foreign rate?

Mr. AIKEN. Those are the figures which have been supplied to me.

Mr. BUTLER. The Senator has some bad figures.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. KENNEDY. Mr. President—

Mr. MAGNUSON. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Washington has 30 seconds remaining.

Mr. McCARTHY. Mr. President, will the Senator from Washington yield 10 seconds to me?

Mr. MAGNUSON. I yield to my friend from Wisconsin 10 of my 30 seconds.

Mr. McCARTHY. I shall not have time to make the statement which I had planned to make. I support the amendment of the Senator from Washington. Therefore I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I had planned to make.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR McCARTHY

I shall vote for the amendment offered by the senior Senator from Washington, which would delete section 307 from the farm bill. I agree with the Senator that since this section relates primarily to maritime matters, it should not be made a part of the farm bill, and I think the Senator is right in recommending that this proposed revision of the Cargo Preference Act be referred to the Interstate and Foreign Commerce Committee. Also, I am impressed by the fact that no hearings have been held on this section, which is a further reason for not acting on so important a matter at this time.

There are, however, some further remarks I should like to make on this subject. I am informed that Congress is being asked to enact section 307 because certain foreign nations have protested against American ships having the right to carry 50 percent of our agricultural surpluses. I am further informed that the nations making these protests are the very nations which, with one hand, accept financial aid from the United States, and with the other engage in maritime trade with the Communist bloc.

On the first point, let me cite testimony heard before the Merchant Marine Committee of the House last month. The witness was Mr. Gwynn Garnett, Director of the Foreign Agricultural Service.

"Congressman TUMULTY. Is it not a fact that the only reason you are here is because of their opposition? [Meaning the opposition of foreign maritime nations.]

"Mr. GARNETT. That is right.

"Congressman TUMULTY. If they had not taken this attitude [of protesting the 50-50 Cargo Preference Act provision] you would not be here?

"Mr. GARNETT. Correct."

The report filed by the Merchant Marine Committee concludes from this testimony: "Thus, the real basis for objection lies in the attitude of certain foreign maritime nations. These objections lie more to the principle of the cargo preference law than to any damaging effect it presently has upon the foreign maritime nations themselves."

Now it strikes me as a little strange that our maritime policy should be dictated by the nations that are principally responsible for free world trade with Communist China and other countries in the Communist bloc. The Senate Subcommittee on Investigations, in 1953, learned that during the calendar year of 1952 some 193 calls were made in Red Chinese ports by vessels registered under the flags of nations supposedly friendly to us. A large majority of these vessels flew the

flags of Great Britain and several other nations that are currently protesting against our maritime policy. The most recent statistics on this subject show that during a 7-month period in 1955, 477 vessel calls were made at Red Chinese ports and again these vessels were primarily those flying the flags of the nations that are protesting against the 50-50 provision. It is beyond my comprehension why we should permit nations conducting this nefarious and immoral trade, to tell the Congress that it must take steps to scuttle the American merchant marine.

As the Senators know, a hair-raising tale concerning East-West trade is now being unfolded before the Senate Subcommittee on Investigations. I shall make some extended remarks on this subject in the very near future. I want to say, now, however, that the committee has learned that, in addition to its trade with Red China, Great Britain has been carrying on voluminous trade with the Soviet Union in highly strategic materials. Thus, by way of repaying us for American aid, Great Britain is helping to build the Communist war machine.

Let me now put the whole picture in proper perspective: The United States gives billions of dollars each year to Great Britain in the form of foreign aid. Great Britain, in turn, sells millions of dollars worth of strategic goods to the Communist bloc that will help build a war machine that is designed to destroy the United States. Then, to top it off, Great Britain, and the other nations in a similar situation, have the effrontery to demand that the United States take measures that will result in great injury to the American merchant marine.

I think it is high time, Mr. President, that the United States cease bowing to the dictates of foreign nations, and start looking after its own interests.

Mr. ELLENDER. Mr. President, I yield 5 minutes—and not more than 5 minutes—to my good friend from South Dakota [Mr. MUNDT].

Mr. MAGNUSON. Mr. President, I think we can close this discussion. I promised the Senator from Oregon [Mr. MORSE] that he could have a couple of minutes. I also promised time to the Senator from Massachusetts [Mr. KENNEDY]. Much of my time was taken up by the majority leader and other Senators.

Mr. MUNDT. Mr. President, is this coming out of my time?

The PRESIDING OFFICER. It is not being taken out of the Senator's time. The Senator from South Dakota is recognized for 5 minutes, under the time available to the Senator from Louisiana [Mr. ELLENDER], who at this point has 6 minutes left.

Mr. MUNDT. Mr. President, I have been waiting until this late hour in the agricultural debate for the happy time to arrive when I could find myself in complete agreement with the ranking minority member of the Senate Committee on Agriculture and Forestry. That time has now arrived. I agree with everything the distinguished Senator from Vermont has said about the importance of this amendment. I join him emphatically in his opposition to the Magnuson amendment.

I wish that Members of the Senate from the Farm Belt would give their attention long enough to get some of the facts clearly in mind. I am not one of those who believe in retreating from a fight before the first shot is fired. I am a

little disturbed. I find a couple of my friends on the Committee on Agriculture and Forestry who voted for the amendment now willing to retreat, to the point where they want not only to return the subject to committee, but to take it away from the Committee on Agriculture and Forestry and give it to a committee friendly to the merchant marine.

Mr. BUTLER. Mr. President, will the Senator yield at that point?

Mr. MUNDT. I do not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. BUTLER. Does the Senator decline to yield?

Mr. MUNDT. If I have the time later I will yield, but not now.

The PRESIDING OFFICER. The Senator from South Dakota declines to yield at this point.

Mr. MUNDT. Something has been said about this provision going into the bill without a hearing.

Mr. BUTLER. We were refused a hearing.

Mr. MUNDT. Mr. President, may I have order?

The PRESIDING OFFICER. The Senator declines to yield.

Mr. MUNDT. I should like to point out that this so-called 50-50 provision was put into the bill, as the Senator from Vermont points out, without any hearings, late in a session, without a roll-call. If it is logical to have hearings on the legislation, the logical thing to do is to take it out now, let the committee hold hearings, and, if a case can be built up for the legislation, place it back in a new bill.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MUNDT. Not at the moment.

Mr. MAGNUSON. I wished to give the Senator—

Mr. MUNDT. Mr. President, may I have order?

The PRESIDING OFFICER. The Senator declines to yield.

Mr. MUNDT. The second thing I should like to point out is this: Why in the world should the farmers of the United States be charged for a ship subsidy? This comes out of the pockets of farmers, out of the money intended for farm assistance and price supports, out of the Commodity Credit Corporation.

As a member of the Senate Committee on Appropriations I, too, have frequently voted for subsidies for the merchant marine; but such subsidies should be in the open, and not masquerading in the overalls and the work clothes of farm aid and farm relief. That is where they are now. It is no more logical to charge to the farm program a part of the subsidy to the merchant marine as it would be to charge to the farm program part of the subsidy to the Post Office because the Postal Department loses money in the mailing of periodicals to farm families. Subsidies should not be disguised and their costs should not be shifted in this manner.

It has been proved over and over again that this is the feature which retards the surplus-disposal program. Are we serious about disposing of our farm sur-

pluses, or are we not? Do we want to get rid of those products or not?

I believe that the farmers of the United States are suffering from the old legendary curse of Sisyphus in this regard. In connection with every farm bill we have, they march up the hill, and then slide down again. This time they are not only sliding down, but they are going all the way to the bottom, by reason of the fact that the subject is being taken away from the Committee on Agriculture and Forestry and turned over to the Committee on Interstate and Foreign Commerce. I predict that the Committee on Interstate and Foreign Commerce will not bring in anything effective from the standpoint of helping the farmer. Our job on the Committee on Agriculture and Forestry is to stay with this problem and to try to have appropriate legislation enacted. If, after hearings, a good case can be made, let us go forward with a subsidy, to be charged to the merchant marine, and not to the farmers. Let us make this a bill to support farmers and farm prices, and not the merchant marine and shiploads of sailors.

Mr. President, I oppose the amendment.

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining; the Senator from Washington has 20 seconds remaining.

The Chair recognizes the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I yield 1 minute on the amendment and 1 minute on the bill to the distinguished Senator from Oregon [Mr. MORSE].

Mr. MORSE. Mr. President, this is a major issue in my State, as between the shipping interests and the farm interests. The farm interests are opposed to the 50-50 cargo preference proposal, and the shipping interests are, of course, for it.

There is much to be said from the point of view of the farm organization that unless an agricultural bill does something to increase farm prices and the purchasing power of the farmers, this amendment should not be adopted.

I think there is no doubt about the fact that any legislation we enact should at least eliminate all perishables, I shall vote for the amendment because of the promise that the entire issue will go to hearing before the Interstate Commerce Committee immediately after the Easter recess and the processing products of all perishables. Further it is my understanding that not only perishables and processed products of perishables will be exempted but that the fruit industry generally will be protected.

There seems to be a dispute as to whether any hearings were held on this question in 1954. I hold in my hand the printed hearings of May 5, 13, 17, and 24, 1954, with reference to this subject. Within the report, there is a letter from the United States Department of Agriculture setting forth the point of view that the Department of Agriculture officials did not think their attendance at the hearing was necessary. I ask unanimous consent to have the letter printed

in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
COMMODITY STABILIZATION SERVICE,
TRANSPORTATION AND
WAREHOUSING DIVISION,
Washington, D. C., May 6, 1954.
Mr. DONALD D. WEBSTER,
Special Counsel, Subcommittee on
Water Transportation, Senate Com-
mittee on Interstate and Foreign
Commerce, Washington, D. C.

DEAR MR. WEBSTER: This is in reply to your letter dated April 30, 1954, in which you invited our participation in an open hearing on S. 3233 (cargo preference bill) before your subcommittee.

In arranging ocean transportation on agricultural commodities from United States and foreign ports to various overseas destinations under the Foreign Assistance Act of 1948, as amended, this Department acts in the capacity of an agent for the Foreign Operations Administration. We, therefore, feel that our attendance at this hearing would be unnecessary. I am pleased, however, to furnish the following information which was requested in the last two paragraphs of your letter.

The Foreign Assistance Act of 1948 provides that at least 50 percent of the tonnage shipped overseas from United States ports or United States possessions be transported in United States-flag vessels. In the administration of this provision, the Foreign Operations Administration divides ocean carriers into 3 categories, namely, charter, berth, and tanker so that in effect the 50 percent provision applies to each of these categories.

In addition, these 3 categories are maintained within specific geographical areas. For example, shipments to Greece are included in the Mediterranean sector which also embraces other Mediterranean countries. Such charters are coordinated with FOA in order that the 50 percent provision be maintained in balance for the entire geographical area.

The attached tables indicate shipments actually handled by this Department from July 1, 1953, through April 1954, and show that 68 percent of our chartered tonnage and 94 percent of our berth tonnage were transported on United States-flag vessels.

You will note that table I attached hereto indicates 11 vessels were chartered to transport offshore sugar to Iran. These were the only shipments arranged by this Department on shipments from foreign ports of origin to another foreign country. Our records indicate the following with respect to these shipments:

On October 9, 1953, 2 foreign-flag vessels were chartered out of Antwerp, Belgium, to Iran at rates of \$8.25 and \$8.50 per long ton. We received a bid from a United States-flag vessel at the rate of \$16 per long ton.

On November 30, 1953, two foreign-flag vessels were chartered to transport sugar from Formosa to Iran at the rate of \$6.70 per long ton for each vessel. One United States-flag vessel bid \$12.45 and another \$14.95 per long ton.

On December 31, 1953, we chartered a foreign-flag vessel for a movement from Formosa to Iran at the rate of \$7 per long ton. One United States-flag vessel bid \$13.38 per long ton.

This Department obtained prior clearance from FOA before awarding the above-cited charters to the foreign-flag vessels notwithstanding the great differential in rates quoted.

We trust that the above information will be helpful in your subcommittee considerations.

Very truly yours,

M. J. HUDTLOFF,
Director.

Mr. MORSE. I also ask unanimous consent to have printed in the RECORD at this point certain communications I have received on both sides of the issue.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PACIFIC AMERICAN
STEAMSHIP ASSOCIATION,
San Francisco, Calif., February 14, 1956.
To the Members of the United States Senate,
Washington, D. C.

GENTLEMEN: In 1947 Congress, in the first United States foreign aid program, established a partnership composed of the American taxpayer, the American farmer and the American merchant marine to carry out world rehabilitation.

To implement this three-way partnership, Congress decreed that 50 percent of non-commercial cargoes moving under this program go in American vessels. By enacting the 50-50 law, Congress endorsed the fundamental rule that foreign trade is a two-way street, in that it equitably divided these cargoes among American and foreign lines. It thus created a balance in one commodity—shipping space—as related to these cargoes.

Today, foreign interests are distributing propaganda, falsely labeling the 50-50 law as discriminatory, when, by its very title and operation, it is a protection against discrimination. These foreign interests are doing their best to bring about a cleavage in the three-way partnership mentioned above by falsely claiming that the surplus disposal program is impeded by the 50-50 principle and are urging certain organizations in the United States to pressure Congress to repeal the 50-50 law.

For this reason, we have taken the liberty of enclosing with this letter a brochure and copies of several resolutions from leading farm, veteran and labor organizations which indicate that many leading organizations have taken affirmative action to make certain that no one in the United States is duped by this foreign propaganda.

As you well know, the American merchant marine serves our economy during peacetime by providing access to the markets of the world for our agricultural and manufactured products. This same merchant marine acts as a naval auxiliary during wartime, and Congress has repeatedly reaffirmed the 50-50 principle in order to make certain that this merchant fleet shall be strong enough to perform these dual roles and assist in carrying out our foreign policy.

In view of the importance to the citizens of this Nation of retaining the 50-50 principle, it will be greatly appreciated if you will give your consideration to this letter and the enclosures, if and when this matter comes up for action before the Congress.

Any comments you have concerning this subject will be greatly appreciated.

Very truly yours,

R. E. MAYER,
President.

SAN FRANCISCO, CALIF., February 23, 1956.
Hon. WAYNE L. MORSE,
United States Senate,
Senate Building, Washington, D. C.:

Understand S. 3183, farm omnibus bill, now on Senate floor, containing section 307, repealing 50-50 law on farm surplus shipments although no committee hearings

have been held or scheduled this session at which shipping industry could be heard despite promise made by Agricultural Committee Chairman ELLENDER last July in his speech on the floor relating to farm bill. Consider inclusion of section 307 most unfair, particularly without hearings. Furthermore, repealing 50-50 provisions of Public Law 480 can only increase costs of those cargoes, because foreign tramp-shipping rates are same as American tramp rates. Therefore urge you work for elimination section 307 from S. 3183 or any similar legislation before Senate. Will appreciate reply.

T. E. CUFFE,
President, Pacific Far East Line, Inc.

SAN FRANCISCO, CALIF., February 23, 1956.
Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.:

Shipping was promised full hearings on the 50-50 law as it relates to the farm bill in a speech on the Senate floor July 20, 1955, by Senator ELLENDER, chairman of the Senate Agricultural Committee.

S. 3183 is now on the Senate floor. Section 307 repeals the 50-50 law on farm-surplus shipments. No hearings have been held or scheduled this session. Repealing the 50-50 provisions of Public Law 480 will increase shipping costs on Public Law 480 cargoes, because foreign tramp-shipping rates are the same as United States tramp rates. United States tramp rates act as deterrent to increased rates.

We urgently request you demand the elimination of section 307 of S. 3183 or any other bill in which this provision comes before the Senate.

Would appreciate your replying.

RANDOLPH SEVIER,
President, Matson Navigation Co.

SAN FRANCISCO, CALIF., February 21, 1956.
Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.:

Respectfully call your attention to S. 3183, farm omnibus bill, now on Senate floor. Maritime industry had been promised full hearings on 50-50 law as it relates to farm bill in speech on Senate floor last July 20, by Senator ELLENDER, chairman, Senate Agricultural Committee (CONGRESSIONAL RECORD, p. 9491). Section 307 of farm bill now on Senate floor repeals 50-50 law on farm surplus shipments, and no hearings have been held or scheduled this session. Foreign tramp shipping rates are same as United States tramp rates, repeal of 50-50 provisions in Public Law 480 would eliminate American-flag ships and result in loss of competitive rate controls. Respectfully and urgently request your efforts to eliminate section 307 of S. 3183, or any other bill in which this provision comes before Senate.

GEORGE KILLION,
President, American President Lines.

SEATTLE, WASH.
Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: I earnestly seek your support in keeping the 50-50 provision as it is now in effect in regard to the carrying of agricultural commodities. It is my understanding that the Agriculture Committee is urging that the 50-50 be dropped. I know you realize that this would result in serious cutbacks in the American merchant marine and in addition to putting thousands of men, maritime workers, out of work, it would also weaken this country's defense, since it is an established fact that a strong merchant fleet is one of the four arms of defense.

Although public hearings were promised on this 50-50 provision, none were held and the committee simply attached to their agricultural bill their recommendation that the 50-50 provision or proposition on agricultural commodities be stricken from the law.

Please give this your most serious and utmost regard.

Most respectfully yours,

JAMES ALLEN MCGEE.

AMERICAN MERCHANT
MARINE INSTITUTE, INC.,
New York, February 28, 1956.

HON. WAYNE MORSE,
United States Senate,

Washington, D. C.

MY DEAR SENATOR: On behalf of the American-flag steamship lines represented by our institute, I wish to express to you their collective appreciation for clarifying for the Senate an important point in the 50-50 issue during debate on the Senate floor yesterday.

That point, important to the orchardists in your home State of Oregon, and other Pacific Northwest regions, was that 50-50 does not apply when American-flag ships are not available for the transport of taxpayer-financed American products overseas. In every such case, we have firmly supported your position that foreign-flag ships can, and should be utilized at once.

It was fortuitous and most helpful that you should interject in the floor debate to clarify this point so strikingly. Our American-flag lines believe that the 50-50 philosophy is fair and honest, and that its application works to the advantage of American agriculture, even in such rare examples as you cited yesterday.

With appreciation.

Sincerely yours,

FRANCIS T. GREENE,
President.

OREGON WHEAT GROWERS LEAGUE,
Pendleton, Oreg., January 18, 1956.

The Honorable WAYNE MORSE,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR MORSE: During the last annual meeting, the Oregon Wheat Growers League reaffirmed its opposition to having the Butler amendment apply to Public Law 480 sales.

We are not opposed to the Government subsidizing the American shipping interests but the costs of such a program should be charged to them and not to agriculture.

Requiring 50 percent of sales under Public Law 480 to be handled by American bottoms is losing the United States business. Public Law 480 is a sales program and not a giveaway. For that reason, foreign countries object to paying for United States goods with local currency and then being told that half of the purchases must be carried in American ships while their ships sit idle.

The costs are higher for shipping goods in American bottoms. These additional charges come from the overall appropriation of 480 funds which were set aside for purchase of United States goods and which are charged to agriculture. It is estimated that 20 percent of all 480 funds could be used up in paying higher freight charges to United States companies.

In other words, \$300 million of funds intended for purchasing United States agriculture commodities would be used as a subsidy for United States shipping lines. This much money could be used to move over 100 million bushels of wheat, which is about the surplus we have on hand now in the Pacific Northwest.

The Oregon League and Commission have spent over \$47,000 of wheat growers' money during the past few years working to expand

Asiatic markets for our wheat. This is a self-help program which promises to obtain results.

We would appreciate your consideration of the league action on this matter.

Very truly yours,

Dick Baum
RICHARD K. BAUM,
Executive Secretary.

SAN FRANCISCO, CAL., February 21, 1956.
HON. WAYNE L. MORSE,
United States Senate,
Washington, D. C.

Section 307 of S. 3193 now on Senate floor repeals the 50-50 law on farm surplus shipments. Urgently request you demand the elimination of section 307 of S. 3183 or any other bill in which this provision comes before the Senate. Would appreciate reply.

V. P. McMURDO.

PORTLAND, OREG., February 15, 1956.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Will appreciate your opposition to amendment to S. 3183 which would tend to exempt agricultural products to provision of 50-50 shipping bill; too many American marine workers are currently unemployed already and addition of such amendment would add to their ranks.

Regards,

BILL WAY,
President, Central Labor Council.

PORTLAND, OREG., February 15, 1956.
HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

I am in receipt of a wire from our secretary treasurer John M. Bishop, International Organization of Masters, Mates, and Pilots, Washington, D. C., that an amendment to Senate bill 3183 has been reported out of committee to Senate for vote which states to exempt agricultural products from the 50-50 shipping provision. We as members of the International Organization of Masters, Mates, and Pilots, West Coast Local No. 90, respectfully request nonsupport of this amendment as it is a very vital issue to our tramp vessels of the merchant marine fleet.

Capt. M. D. MACRAY,
Portland Representative, International
Organization, West Coast
Local No. 90.

PORTLAND, OREG., February 15, 1956.
Senator WAYNE L. MORSE,
United States Senate,
Washington, D. C.

We are in receipt of information from Captain Bishop of International Organization Masters, Mates, and Pilots that Senate bill 3183 has been reported out with an amendment exempting agricultural products from the 50-50 shipping provision. It is our opinion that the American merchant marine should be protected by the terms of the 50-50 provision and this amendment is not in the public interest. We respectfully ask that you do not support this amendment.

Capt. RALPH F. CAPLES,
President, Columbia River Pilots.

PORTLAND, OREG., February 14, 1956.
Senator WAYNE MORSE.

DEAR SIR: I earnestly seek your support in keeping the 50-50 provision as it is now in effect, in regard to the carrying of agricultural commodities. It is my understanding the agricultural committee is urging that the 50-50 provision be dropped.

I know you realize this would result in serious cutbacks in the American Merchant Marine and in addition to putting thousands of maritime workers out of work, it would also weaken this country's defenses,

since it is an established fact that a strong merchant fleet is one of the four arms of defense.

Although public hearings were promised on this 50-50 provision, none were held, and the committee just attached to their agricultural bill their recommendation that the 50-50 proposition on agricultural commodities be stricken from the law.

Please give this your serious consideration.

Respectfully yours,

CLYDE JONES.

PORTLAND, OREG., February 16, 1956.

Senator WAYNE MORSE.

DEAR SIR: Next Monday, February 20, 1956, there is a bill S. 3183, omnibus farm bill out by Senate Agricultural and Forestry Committee exempts agricultural products from 50-50 shipping provision. Will you please vote against it.

It will abolish our tramp fleet of ships and cause more unemployment in our merchant marine.

Sincerely,

EUGENE H. FRANKLIN.

PORTLAND, OREG., February 16, 1956.

DEAR SENATOR MORSE: As one whose husband is in the merchant marine on which our livelihood depends, I request that you vote against the amendment to S. 3183 omnibus farm bill which would eliminate the 50-50 agreement for shipping foreign aid (not commercial) cargoes on American ships.

Repeal of the 50-50 provision would eliminate at once practically all cargoes now shipped in American bottoms and would in no way aid the farm situation, which it is misguidedly said to do. It seems to me that enough of our ships are now laid up without adding to the number and to the number of unemployed persons.

Last May, I believe, Representative JOHN F. SHELLEY of California spoke on the subject before the American University Transportation Institute in Washington, D. C., pointing out the very grave danger to this country of losing any more of our ships through the shortsighted policy of eliminating the 50-50 provision. Since I no longer have a copy of the speech to send you, perhaps you could get one from Mr. SHELLEY if you would be interested.

And again, I urgently request that you give this matter your immediate attention.

Respectfully,

ELMA L. REVELL.

PORTLAND, OREG., February 16, 1956.
HON. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: Capt. Ralph F. Caples, president of Columbia River Pilots, has wired you, urging you to oppose this bill which has a rider which would eliminate the 50-50 provision regarding the export of Government financial agricultural products in vessels of United States registry.

While I was at Maritime we always supported United States-flag vessel participation.

The pilots' interest is easily understood; i. e., they are for a prosperous American merchant marine.

Sincerely,

JOSEPH K. CARSON, JR.

MARINE COOKS AND STEWARDS, AFL,
Seattle, Wash., February 16, 1956.
Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR MR. MORSE: In support of your untiring efforts to sustain the American merchant marine we have this date sent to President Eisenhower the following letter of protest to a rider attached to the Senate bill S. 3183:

"The membership of the Marine Cooks and Stewards, A. F. of L., Seattle Branch, Pacific

District, unanimously adopted a resolution vigorously protesting the arbitrary action of the Senate Committee on Agriculture in attaching, as a rider to Senate bill S. 3183, a provision which would exempt the requirement that American ships carry 50 percent of the agricultural surplus commodities which are financed by foreign currencies, guaranteed for convertibility by United States dollar.

"The members of the Marine Cooks and Stewards, A. F. of L., Seattle Branch, Pacific District, are incensed over this un-American and undemocratic action of not permitting those interested parties the opportunity to be heard. It is further the opinion of the Marine Cooks and Stewards, A. F. of L., that you should stop the dictatorial procedure and we urge that you support our action.

"This late move of the Senate Committee on Agriculture in attaching such rider to Senate bill S. 3183 would dismantle, mothball, and keep the American flag off the oceans.

"We are very much in need of our fourth line of defense, the United States merchant marine, and the American flag must be flown on all the seas of the world."

Hoping this will assist you in the forthcoming issue on the Senate floor.

Very truly yours,

MARINE COOKS AND STEWARDS, AFL,
SEATTLE BRANCH, PACIFIC DISTRICT,
JAMES O. WILLOUGHBY, Port Agent.

PORTLAND, OREG., February 16, 1956.
Senator WAYNE MORSE.

DEAR SENATOR: As one of your constituents I am writing you in regards the 50-50 Cargo Preference Act, in which there is a move by certain interests to amend this act so as to exempt \$1.5 billions of agricultural surpluses from its provisions.

I believe that if this act is amended in this manner that it would prove detrimental to the United States merchant marine and also undermine the security and defense of our Nation because untold quantities of cargo would be lost to foreign ship operators causing American bottoms to be tied up with hundreds of jobs lost by American seamen.

I feel that both the domestic and foreign agricultural interests in conjunction with foreign shipping interests are pressing for this amendment for strictly selfish reasons, and with total disregard for America's interest, therefore I urge you to vote against exempting or repealing any part of the 50-50 act.

In ending this note I would like to state that I personally believe that 100 percent of all surplus cargoes should be carried in American bottoms, thus strengthening our American merchant marine instead of weakening it.

Sincerely yours,

WILLIAM M. CALDWELL.

PORTLAND, OREG., February 22, 1956.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

In a speech on the Senate floor July 20, 1955, Senator ELLENDER, chairman of the Senate Agricultural Committee, promised the shipping industry a full hearing on the 50-50 law as it relates to the farm bill. Section 307 of S. 3183, which we understand is now on the Senate floor, repeals the 50-50 law on farm-surplus shipments. To our knowledge, no hearings have been held or scheduled.

Foreign tramp-shipping rates are the same as United States tramp rates, and repeal of the 50-50 provision of Public Law 480 will increase shipping costs on those cargoes.

We would appreciate your requesting the elimination of section 307 of S. 3183, or any similar bill in which a provision of this kind comes before the Senate.

Please advise.

HILLMAN LUEDDEMANN,
Vice President; Northwest Manager, Pope & Talbot Lines.

PORTLAND, OREG., February 23, 1956.
Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.:

Shipping was promised full hearings on the 50-50 law as it relates to the farm bill in a speech on the Senate floor last July 20, 1955, page 9491, CONGRESSIONAL RECORD, by Senator ELLENDER, chairman of the Senate Agricultural Committee. S. 3183, the farm omnibus bill, is now on the Senate floor. Section 307 repeals the 50-50 law on farm surplus shipments. No hearings have been held or scheduled this session. Repealing the 50-50 provisions of Public Law 480 will increase shipping costs on Public Law 480 cargoes, because foreign tramp-shipping rates are the same as United States tramp rates. Most urgently request you demand the elimination of section 307 of S. 3183, or any other bill in which this provision comes before the Senate.

Appreciate reply.

AMERICAN MAIL LINE,
W. L. WILLIAMS.

PORTLAND, OREG., February 23, 1956.
Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.:

Shipping was promised full hearings on the 50-50 law as it relates to the farm bill in a speech on the Senate floor last July 20, 1955, page 9491, CONGRESSIONAL RECORD, by Senator ELLENDER, chairman of the Senate Agriculture Committee. S. 3183, the farm omnibus bill, is now on the Senate floor. Section 307 repeals the 50-50 law on farm surplus shipments. No hearings have been held or scheduled this session. Repealing the 50-50 provisions of Public Law 480 will increase shipping costs on Public Law 480 cargoes because foreign tramp shipping rates are the same as United States tramp rates. Most urgently request you demand the elimination of section 307 of S. 3183 or any other bill in which this provision comes before the Senate. Appreciate reply.

MOORE-McCORMACK LINES,
P. J. KLEIN.

PORTLAND, OREG., February 24, 1956.
Senator WAYNE L. MORSE,
United States Senate, Senate Office Building, Washington, D. C.:

Our records indicate that shipping was promised full hearings on the 50-50 law as it relates to the farm bill in a speech on the Senate floor last July 20, 1955 (page 9491, CONGRESSIONAL RECORD) by Senator ELLENDER, chairman of the Senate Agriculture Committee. We understand S. 3183, the farm omnibus bill, is now on the Senate floor. Section 307 repeals the 50-50 law on farm surplus shipments. To our best knowledge no hearings have been held or scheduled for this session. Repealing the 50-50 provisions of Public Law 480 will increase shipping costs on Public Law 480 cargoes because foreign tramp shipping rates are the same as United States tramp rates. We most urgently request you demand the elimination of section 307 of S. 3183 or any other bill in which this provision comes before the Senate. Would appreciate your reply.

STATES STEAMSHIP CO.

PORTLAND, OREG., February 24, 1956.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Reference S. 3183, farm omnibus bill, now on Senate floor, section 307 repeals the 50-50 law on surplus farm shipments. Appreciate your working for hearings on behalf American shipping and urgently request work toward elimination section 307 or any other bill containing similar provisions which comes before Senate. Appreciate reply.

HOLLIS FARWELL,
Agent for Matson Lines.

PORTLAND, OREG., February 27, 1956.
The Honorable WAYNE MORSE,
Senator from Oregon,
Senate Building,
Washington, D. C.:

Our company vitally affected by S. 3187, the farm omnibus bill, now before Senate. Section 307 of the bill repeals 50-50 law on farm-surplus shipments and we urgently request your support in eliminating section 307 of this bill, which would deal a stunning blow to our company and to American merchant marine.

West Coast Steamship Co. is an Oregon corporation largely owned by Oregonians and the only oceangoing fleet with Portland its home port. We own five Liberty vessels, all operated under American-flag registry. Our vessels are largely employed in offshore bulk-carrying trade principally transpacific, and the only tramp fleet owned by a Pacific coast shipping concern.

During 1955 68 percent of the offshore cargoes handled by our fleet consisting largely of grains, coal, and fertilizer, were secured as a direct result of application of 50-50 provision of the Cargo Preference Act.

The annual dollar contribution which our company made to the general business economy of Oregon is deserving of consideration because of its substantial nature. During 1955 West Coast Steamship Co. paid:

Wages to vessel crews, \$1,265,990.35.

Vessel stores, supplies, and equipment, \$180,011.40.

Foodstuffs, including agricultural products, meats, and poultry, \$193,948.35.

Maintenance and repair to Oregon and Washington shipyards, \$226,744.57.

Stevadore wages and other cargo expense, \$753,224.06.

Fuel-oil purchases, \$501,927.37.

Marine insurance, \$213,964.37.

Preservation of 50-50 provision is vital to our continued operation under the American flag. It is economically impossible for an American-flag tramp operator to compete on an equal basis with foreign-flag tramps. If 50-50 provision is nullified we would be compelled to seek protection of foreign-flag registry for our vessels with its low standard of operating cost if we desire to survive. This action will be forced upon us if 50-50 provision is repealed.

We urgently request your efforts to preserve 50-50 legislation, repeal of which would sound the death knell to American tramp shipping, seriously damage the American merchant marine, and cause widespread unemployment to American maritime labor. Please keep me advised of developments this bill.

K. C. CONYERS,
Executive Vice President, West Coast Steamship Co.

PORTLAND, OREG., February 29, 1956.
Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Understand S. 3183, farm omnibus bill, with section 307 exempting agricultural shipments from 50-50 law voted out of Senate Agricultural Committee without hearings as promised on page 9491, CONGRESSIONAL RECORD, Senator ELLENDER's speech July 20, 1955. Section 307 repeals 50-50 provisions in Public Law 480. Most urgently request you demand elimination of section 307 of S. 3183 or any other Senate bill with these provisions before bill comes before Senate. Appreciate reply.

COASTWISE LINE,
H. H. WRIGHTSON.

THE PORT OF PORTLAND,
Portland, Oreg., March 7, 1956.
Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I believe that S. 3183, the farm omnibus bill, includes a section repealing the 50-50 law on farm-sur-

plus shipments. From all that I can gather, this would be extremely detrimental to all shipping interests since it would, in effect, repeal the 50-50 provisions of Public Law 480 and the views that I have heard would indicate that it would not greatly help the farm program but might increase the cost of cargoes because foreign tramp rates are the same as American tramp rates and the elimination of the 50-50 protection could only mean the reduction of American-flag shipping with possible detriment to the whole economy. I refer, of course, to section 307 of S. 3183. I would greatly appreciate it if you would let me have your views on this matter.

Very truly yours,

JOHN J. WINN, Jr.
General Manager.

INTERNATIONAL LONGSHOREMEN'S AND
WAREHOUSEMEN'S UNION, LOCAL No. 12,
North Bend, Oreg., March 1, 1956.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Honorable WAYNE MORSE: Our Washington representative, Jeff Kibre, advises our membership that an amendment to the farm bill now being debated in the Senate is aimed at scuttling the 50-50 law, which provides that not less than one-half of Government-financed cargoes must be shipped in United States bottoms. If this amendment is voted up it will eliminate a great deal of the United States merchant fleet and add to the present unemployment situation which is plaguing our country.

As this is a bread-and-butter issue for us, we strongly urge that you do all in your power to see that this amendment is defeated.

Another legislative issue that concerns us is liberalization of social security—especially the lowering of the age limits to 60 years instead of the present 65. Mr. Kibre observes that the leadership of the Senate Finance Committee is out to stop any such liberalization.

We ask that you also use your influence in this matter, which is of vital concern to us.

Respectfully yours,
GORDON RASMUSSEN,
Secretary.

THE SEAFARERS INTERNATIONAL UNION,
ATLANTIC AND GULF DISTRICT, CIO,
Brooklyn, N. Y., February 29, 1956.

The Honorable WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: For the past 8 years, the Congress has repeatedly and clearly indicated its intent that 50 percent of all Government-financed cargoes be carried in United States-flag ships. The 50-50 law has been of inestimable value in keeping the United States merchant fleet alive at extremely small cost. This keeping of United States ships in business has time and again prevented runaway freight charges by foreign shipping groups in times of shipping crisis.

Now the life of the United States merchant marine is threatened anew by a provision (section 307) of the proposed farm bill, S. 3183, which would specifically exempt the shipments of surplus farm cargoes from the Cargo Preference Act, otherwise known as the 50-50 law. Thus, the Senate Agricultural Committee's vote to drop 50-50 from the surplus farm disposal program is a clear contradiction of the Congress' traditional and oft-stated intent. It is imperative that the 50-50 provision be made applicable to that part of the farm bill which provides for the disposal of farm surplus under the United States Government aid program.

The committee's action ostensibly to aid disposal of farm surplus will actually benefit no one but the foreign ship operators in

general and particularly the runaway flag operators of the nonlegitimate maritime nations, which offer escape from the Government taxes, decent wages, and safety conditions imposed by the United States and other legitimate maritime nations. The scuttling of 50-50 will sap whatever strength remains in the already badly-battered United States merchant marine, and at a critical point in international relations when we should be building our merchant marine.

All evidence points to the fact that repeal of 50-50 will not move one additional pound of United States surplus. The world agricultural situation is such that farm surpluses are plaguing many nations.

It is especially interesting to note that the nations protesting the 50-50 account for only about 5 percent of the farm surplus involved. The nations taking the major share of the farm surplus under the United States aid program have little or no merchant marine of their own. Consequently, the cargo-carrying that would be lost to the American fleet without the 50-50 proviso would undoubtedly be picked up by the Panamanian, Honduran, Liberian and other low-cost, tax-loop-hole runaway registries.

The importance of 50-50 to the very life of the United States merchant marine is emphasized by the fact that American-flag ships carry only 21 percent of our Nation's own commerce.

Failure to include the traditional 50-50 provision in the proposed agricultural act, known as S. 3183 will, therefore, blast away a substantial section of our already inadequate United States-flag fleet.

We respectfully ask your consideration of these facts and urge your support in the fight to keep the United States flag flying on the high seas by insisting upon the restoration of the 50-50 provision to the farm bill, S. 3183.

The membership and the organization will deeply appreciate your efforts in this direction.

Respectfully yours,
PAUL HALL,
Secretary-Treasurer.

NATIONAL COUNCIL OF
FARMER COOPERATIVES,
Washington, D. C., January 27, 1956.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I am enclosing a complete copy of the policy statements adopted by the delegate body of the National Council of Farmer Cooperatives at their annual meeting in Los Angeles last week.

I have checked on pages 1, 4, 6, and 7 the resolutions pertaining to matters I discussed with you yesterday. The fact that these have been adopted as representative of the views of the members of the National Council of Farmer Cooperatives indicates the widespread interest of farmer cooperatives along these important lines. I hope you will have time to read all of these resolutions—certainly the ones I have checked.

Thanking you for your kindness during my visit, I am,

Sincerely yours,
J. E. KLAHRE,
Manager, Apple Growers Association,
Hood River, Oreg.

NOTE.—50-50 cargo preference clause: The National Council of Farmer Cooperatives favors legislation which would bring about such modifications or adjustments of the so-called 50-50 cargo preference clause as not to impede exports of United States agricultural products.

Mr. MORSE. I believe we should be very careful, as we work out this program in the hearings which the Senator from Washington has said will be held

by the Interstate Commerce Committee of which he is chairman, that it will not be possible to say with propriety, as the Senator from South Dakota has suggested, that the effect of the operation of the 50-50 formula would be to ask the farmers to subsidize the merchant marine.

I believe we must subsidize the merchant marine from the standpoint of our national security. However, as I said earlier, some language must be worked out so that our shipping interests will be guaranteed some of the cargo of surplus Commodity Credit food shipped abroad, but the farmers will not have to pay through the nose by way of a ship subsidy deducted from the price that they are paid for agricultural products. Further, I think we must insist that all farm perishables and products processed therefrom are exempted from the 50-50 formula. It needs to be emphasized that the foreign governments who are buying the surplus food involved in this issue are obtaining it either at very low prices or for practically nothing. It certainly is not unreasonable to ask that they pay for the shipping of a portion of it in American bottoms. Therefore, because I think this matter can be worked out fairly in respect to the best interests of both the farmers and the shipping industry in the hearings which have been promised by the chairman of the Interstate Commerce Committee, I shall vote for the amendment.

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the distinguished Senator from South Dakota.

Mr. CASE. Mr. President, if the question is to come to a vote, we ought to know what we are voting on. The Department of State, under date of October 26, 1955, stated:

The application of cargo preference legislation to the sale of surplus United States agricultural commodities for foreign currencies under title I of Public Law 480, 83d Congress, has increased the difficulties attending the satisfactory negotiation of title I agreements. The Department of State therefore supports the enactment of S. 2584.

That is the provision in the pending bill.

The Department of Agriculture, under date of October 31, 1955, stated:

The Department favors enactment of the bill for the following reasons:

1. In the case of maritime nations, cargo preference makes title I programing impossible in some instances and in other instances results in less desirable programs than could otherwise be developed.

2. The application of cargo preference to title I shipments, which constitute trade rather than aid, makes it more difficult to obtain liberalization of restrictions against the importation of United States agricultural products into maritime nations.

Senators who wish to support agriculture should vote "no" on the amendment.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Vermont.

The PRESIDING OFFICER. The time is under the control of the Senator from Washington and the Senator from Louisiana.

Mr. KNOWLAND. I wish to yield 1 minute on the bill to the Senator from Vermont.

Mr. AIKEN. Mr. President, the Senator from Washington advises me that I was in error in saying that no hearings were held on this provision in 1954. He has handed me a copy of the hearings. Hearings were held on May 5, 13, 17, and 24, 1954. Therefore, I wish to make that correction of the RECORD. I made the statement that no hearings were held on the cargo preference bill. I still do not recall any action on the floor, on that bill, and I believe I am right. I believe we eventually did add it as an amendment on another bill.

Mr. MAGNUSON. Mr. President—
The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 1 minute on the bill to the junior Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the Senator from Vermont said that last year was the best year for the American merchant marine. So far as shipbuilding was concerned, it was the worst year. I visited the Fall River yards, and I saw only three ships on the ways. The reason is that it is cheaper to operate foreign ships, and it is cheaper to build foreign ships in foreign yards.

One of the basic ways of helping the merchant marine, which is to the interest of all of us, is through the program now proposed. In a program which provides such great subsidies to farmers, and gives such vast support to them, it does not seem to make any sense to knock out this basic benefit, on which the American merchant marine depends, of shipping half of the surpluses in our own bottoms.

If we cannot agree on that point, then no subsidy makes any sense. I hope Senators will remember that this is vital to our security.

Mr. AIKEN. I was referring to the earnings of the shipping lines, not to the cost of building the ships.

Mr. ELLENDER. I yield 1 minute on the bill to the distinguished junior Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, a question has been raised with regard to the significance of section 213 of the bill, which provides protection for tenants and sharecroppers. I should like to ask the distinguished chairman of the committee to give us his interpretation of that section, because I believe it is necessary to have a clear legislative history made on that point. Suppose that a tenant is on a year-to-year basis with no written lease. Would this provision give him any protection at the end of the year when his term expired?

Mr. ELLENDER. That is exactly what the provision is designed to do. The term "tenant," as used in the bill, refers to anyone in a tenant relationship whether under a written or a verbal contract, or any other arrangement that may be customary in the locality where the question arises. And the provision is designed to apply to the case where the lease or other arrangement is expiring. Up until that time the landlord would have no legal right to displace the tenant. This provision is designed to

require the conservation reserve program to be so administered as to protect the rights of tenants and discourage landlords from displacing them when their terms expire, so as to reap greater benefits under the program for themselves. Of course the landlords' rights must be observed, too, but the program should not make it more profitable for them to displace their tenants. Other provisions for the protection of tenants appear on pages 8 and 24 of the bill.

Mr. FULBRIGHT. It is the interpretation of the chairman of the committee that it is not necessary that there be a written lease in order to protect the rights of tenants, as described in the bill?

Mr. ELLENDER. That is correct.

Mr. FULBRIGHT. If it is a verbal agreement, they would still be protected?

Mr. ELLENDER. That is correct.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to myself on the bill.

I rise in support of the amendment offered by the Senator from Washington [Mr. MAGNUSON]. I believe that the procedure suggested by the chairman of the committee who is handling the bill is eminently sound and equitable. As I understand, both the chairman of the Committee on Agriculture and Forestry and the chairman of the Committee on Interstate and Foreign Commerce have indicated they will promptly hold hearings.

The Senator from Washington [Mr. MAGNUSON] has stated to the Senate that immediately following the Easter recess, both the agricultural groups who have a vital interest in the matter and the merchant marine groups will have an opportunity to come before the committee and give their testimony, and that, also, certain facets of the legislation, such as that dealing with reefers, will be considered.

I have been a little surprised by some statements made that apparently a foreign government had indicated that unless the Congress of the United States passed legislation which met that country's specifications, it would not deal with our Government. I do not want the Congress of the United States to be asked to legislate with a gun at its head. The American people have been very generous in the past.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. I yield myself an additional minute. The American people have been very generous, to the extent of \$35 billion, in helping to rehabilitate the industries of Europe and of Asia, and have been endeavoring to build up the economies of those foreign countries.

I believe it comes with ill grace indeed to have it suggested to Congress, a coordinate branch of government under the Constitution, that unless we legislate on a definition of what foreign countries believe should be included in legislation, they will not deal with this country. I think as a matter of self respect Congress should strike the provision from the bill, and then through normal legislative processes hold hearings to make certain that equity is done to the American farmer and to the American merchant marine.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. All time for debate on the amendment has expired.

Mr. BUTLER. Mr. President, I ask unanimous consent that I be recognized for 5 minutes to answer some of the statements that have been made.

The PRESIDING OFFICER. Is there objection?

SEVERAL SENATORS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KNOWLAND. Mr. President, I yield 2 minutes on the bill to the Senator from Maryland.

Mr. BUTLER. I shall try to complete my statement in 2 minutes.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BUTLER. Mr. President, if the Senate now fails to strike section 307 from the bill, it will indeed have done a great injury to the American merchant marine. The same provision was included in the farm bill last year. We went to the then chairman of the Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN], and asked him to remove that provision from the bill, so that we could hold hearings on it. I believe he agreed to do it at that time, and a bill was introduced almost immediately, and referred to the Committee on Agriculture and Forestry.

Mr. AIKEN. Mr. President, a correction. I was not chairman of the committee at the time.

Mr. BUTLER. I am sorry. It was the Senator from Louisiana. I should like the RECORD to show it was the Senator from Louisiana. The bill was introduced and referred to the Committee on Agriculture and Forestry. The Senator from Louisiana promised the labor organizations, the A. F. of L., the CIO, the American Legion, the Veterans of Foreign Wars, and many other organizations and individuals that a prompt hearing would be held. No hearing has ever been held, although we have asked for one time and time again. Now the Senate, under a limitation of time, says we cannot have time to be heard on the matter.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

Mr. BUTLER. Mr. President, these transactions are not really commercial transactions. If Senators will look at page 57 of the report, they will see that in many instances the currencies received are being given to foreign countries for economic development, and if Senators will look at the House hearings they will find in volume 1 of the transcript, page 22, a statement of the Department of Agriculture—

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

Mr. BUTLER. Mr. President, this is very important legislation, and if we are to be cut off—

Mr. KNOWLAND. Mr. President, I yield 1 more minute to the Senator from Maryland.

Mr. BUTLER. Mr. President, I believe many countries would object to the United States coming in, and without consultation, spending these funds in a foreign country.

Does it sound like it is an ordinary commercial transaction? It is nothing but a part of the "giveaway."

The 50-50 principle has not slowed up the agricultural program.

Mr. President, in 3 years we have disposed of a large amount of the surplus. When we consider that approximately 80 percent of all the cargoes in our tramp ships are 50-50 cargoes, it can be appreciated that we are sick of the statement by the Maritime Administrator that if this section is not removed from the bill we shall indeed have to tie up our fleet, sell it to foreigners, and throw many thousands of American seamen into idleness.

Mr. President, if the foreign nations referred to in the letter to which our distinguished minority leader has made reference are able to dictate to us the terms on which we are to run our merchant marine, then I say to the farmers, "If you lay up your merchant marine you will pay such a heavy tariff for freight that you will not be able to carry away your agricultural products."

The PRESIDING OFFICER. The Senator's time has again expired.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Maryland.

Mr. BUTLER. Mr. President, do not forget that in the Second World War ocean rates went up 2,000 percent because we did not have American bottoms. We cannot destroy our merchant marine and develop our farm community at the same time, or farmers will pay through the nose for every ton that is shipped abroad. We are now carrying only about 2 percent of our export and import commerce in American-flag vessels.

The PRESIDING OFFICER. The time of the Senator from Maryland has again expired.

Mr. KNOWLAND. Mr. President, I yield half a minute to the Senator from Maryland.

Mr. BUTLER. Mr. President, I also wish to point out that up to date we have sold to foreign countries \$769 million of surplus products, and it has cost us \$3 million, or less than one-half of 1 percent of the total sales.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment offered by the Senator from Washington. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. DANIEL], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. McNAMARA], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr.

RUSSELL], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce, if present and voting, the Senator from Texas [Mr. DANIEL], the Senator from Georgia [Mr. GEORGE], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. McNAMARA], and the Senator from Missouri [Mr. SYMINGTON] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BRICKER], and the Senator from Indiana [Mr. CAPEHART] are necessarily absent.

The Senator from Kansas [Mr. CARLSON] is detained on official business.

If present and voting the Senator from Colorado [Mr. ALLOTT] would vote "yea."

On this vote the Senator from Ohio [Mr. BRICKER] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Indiana would vote "nay."

The result was announced—yeas 57, nays 23, as follows:

YEAS—57

Barkley	Hennings	Millikin
Beall	Hill	Monroney
Bender	Hruska	Morse
Bible	Humphrey	Murray
Bridges	Ives	Neely
Bush	Jackson	Neuberger
Butler	Jenner	Pastore
Case, N. J.	Johnson, Tex.	Payne
Clements	Johnston, S. C.	Potter
Cotton	Kennedy	Purtell
Curtis	Kerr	Saltonstall
Dirksen	Knowland	Scott
Duff	Kuchel	Smathers
Ellender	Laird	Smith, Maine
Ervin	Lehman	Smith, N. J.
Frear	Magnuson	Sparkman
Goldwater	Malone	Stennis
Green	Martin, Pa.	Thurmond
Hyden	McCarthy	Williams

NAYS—23

Aiken	Flanders	Mundt
Anderson	Fullbright	Schoeppel
Barrett	Gore	Thye
Bennett	Hickenlooper	Watkins
Case, S. Dak.	Holland	Welker
Douglas	Langer	Wiley
Dworshak	Martin, Iowa	Young
Eastland	McClellan	

NOT VOTING—16

Allott	Daniel	O'Mahoney
Bricker	George	Robertson
Byrd	Kefauver	Russell
Capehart	Long	Symington
Carlson	Mansfield	
Chavez	McNamara	

So Mr. MAGNUSON's amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. SALTONSTALL. Mr. President, I move to lay on the table the motion of the Senator from Washington to reconsider the vote by which the amendment was agreed to.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MONRONEY. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. JOHNSON of Texas. I do not have the floor. The Senator can have the floor in his own right.

Mr. MONRONEY. Mr. President, during the debate on the agricultural bill, it has been constantly asserted that the reasons for flexible parity supports in the Benson farm program have been threefold: First, to reduce the cost of the operation of the farm program; second, to reduce production of surplus agricultural commodities; and, third, to reduce the amounts of such commodities that are going into storage under the Commodity Credit Corporation.

I ask unanimous consent to have printed in the body of the RECORD a series of tables. The figures show the cost of the rigid price-support program as compared with the cost under the Benson program. The figures show clearly that the total cost of maintaining price supports for all commodities from the years 1933 to 1955 was \$2,720,800,000, while the cost for the basics was only \$489,600,000.

Only about 39 percent of the total cost of the program was incurred between 1933 and the end of fiscal 1952. All the rest of the cost of the program occurred under Mr. Benson. He has neither reduced the cost of the program, nor reduced the production of surplus commodities, nor reduced the amount that has gone into storage.

The tables clearly show that, based on experience of the cost of the programs, Mr. Benson truly deserves the title of "Mr. Wrongway Benson," because that is exactly the direction which his program has taken. The tables, which I ask unanimous consent to have printed in the RECORD, will support my contention.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Costs of maintaining price supports on agricultural commodities

[In millions of dollars]

	Basics	Designated non-basics	Other non-basics	All commodities
1933-52.....	+25.1	-702.5	-371.6	-1,048.9
1953.....	-45.8	-5.3	-10.0	-61.1
1954.....	-177.4	-131.2	-110.9	-419.5
1955.....	-194.5	-441.6	-162.9	-799.1
July-December 1955.....	-97.0	-185.6	-109.5	-392.1
Total, 1953-55.....	-514.7	-763.7	-393.3	-1,671.8
Total, 1933-55.....	-489.6	-1,466	-764.9	-2,720.8
Percent of total cost.....	18	54	28	

NOTE.—Only about 39 percent of the total cost of the program was incurred between 1933 and the end of fiscal 1952, less than 41 percent by the end of fiscal 1953, and the remaining 59 percent since then.

Effect of lower support levels on amounts going into storage, and production resulting from changes in acreage, 1954 and 1955

	Change in support level	Acreage	Production	Change in quantities in support program		Change in support level	Acreage	Production	Change in quantities in support program
Corn	-2.5	+6	+5.8	+365	Barley	-18	+9	+5.4	-22
Cotton, upland	+3	-15	+7.4	+206	Flaxseed	-7.3	-11.5	-5	+19
Peanuts			+57	+2,192	Grain sorghum	-21.5	+19	+7.4	+2.4
Rice	-5.3	-29	-17.4	-19	Oats	-15	+1	+5.3	-13
Tobacco		-9	+5	+38	Rye	-17.5	+24	+21	+82
Wheat	-8	-11	-4.7	-36	Soybeans	-8	+5	+8.5	-2.6

Percentage changes in parity, support levels, production, and price supports extended, 1954 and 1955

	Unit of quantity	Percent of parity		Percent change in support level, 1954-55	Percent change in production, 1954-55	Percent change in quantities in support program, 1954-55		Unit of quantity	Percent of parity		Percent change in support level, 1954-55	Percent change in production, 1954-55	Percent change in quantities in support program, 1954-55
		1954	1955						1954	1955			
Corn	Bushel	90	87	-2.5	+5.8	+365	Barley	do	85	70	-18	+5.4	-22
Cotton, upland	Bale	90	90	+3	+7.4	+206	Flaxseed	do	70	65	-7.3	-5	+19
Peanuts	Pound	90	90		+57	+2,192	Grain sorghum	do	85	70	-21.5	+7.4	+2.4
Rice	Hundredweight	91	86	-5.3	-17.4	-19	Oats	do	85	70	-15	+5.3	-13
Tobacco	Pound	90	90		+5	+38	Rye	do	85	70	-17.5	+21	+82
Wheat	Bushel	90	82½	-8	-4.7	-36	Soybeans	do	80	70	-8	+8.5	-2.6

In this 2-year period, changes in the support level were more frequently than not accompanied by increases in production.

The only substantial reductions in production were on rice and wheat, which also had the largest reductions in harvested acreage, 28 and 13 percent, respectively.

At the same time the proportion of total production going into the loan program for these 2 commodities was actually reduced.

Parity and support levels

	1952		1953		1954		1955			1952		1953		1954		1955	
	Actual level	Percent of parity	Actual level	Percent of parity	Actual level	Percent of parity	Actual level	Percent of parity		Actual level	Percent of parity	Actual level	Percent of parity	Actual level	Percent of parity	Actual level	Percent of parity
Corn	\$1.60	90	\$1.60	90	\$1.62	90	\$1.58	87	Barley	\$1.22	80	\$1.24	85	\$1.15	85	\$0.94	70
Cotton	.30	90	.30	90	.31	90	.32	90	Flaxseed	3.77	80	3.79	80	3.14	70	2.91	65
Peanuts	.12	90	.119	90	.12	90	.12	90	Grain sorghum	2.38	80	2.43	85	2.28	85	1.78	70
Rice	5.04	90	4.84	91	4.92	91	4.66	86	Oats	.78	80	.80	85	.75	85	.61	70
Tobacco		90		90		90		90	Rye	1.42	80	1.43	85	1.43	85	1.18	70
Wheat	2.20	90	2.21	91	2.24	90	2.06	82.5	Soybeans	2.56	90	2.56	90	2.22	80	2.04	70

Acreage

	1954	1955	Percent change		1954	1955	Percent change
Corn	46,996	49,843	+6	Barley	14,759	16,102	+9
Cotton, upland	21,379	18,113	-15	Flaxseed	5,869	5,192	-11.5
Peanuts	1,610	1,610		Grain sorghum	20,233	24,113	+19
Rice	2,600	1,842	-29	Oats	47,542	48,021	+1
Tobacco (harvested)	1,668	1,510	-9	Rye	4,045	5,033	+24
Wheat	62,000	55,000	-11	Soybeans	19,115	20,132	+5

Crop production

(In millions of units)

	1952	1953	1954	1955	Percent change, 1952-55	Percent change, 1954-55		1952	1953	1954	1955	Percent change, 1952-55	Percent change, 1954-55
Corn	2,977	2,869.6	3,010	3,185	+7	+5.8	Barley	226	241	371	391	+73	+5.4
Cotton	15	16	13.6	14.6	-2.7	+7.4	Flaxseed	30	36.8	40.8	40.6	+37	-5
Peanuts	1,371	1,574	1,025	1,610	+16.7	+57	Grain sorghum	83	102	216	232	+180	+7.4
Rice	48	52.5	64.2	53	+9.4	-17.4	Oats	1,260	1,216	1,497	1,576	+25	+5.3
Tobacco	2,274	2,076	2,245	2,256	-8	+5	Rye	16	17.9	24	29	+81	+21
Wheat	1,299	1,168.5	984	938	-28	-4.7	Soybeans	298	262	342	371	+30	+8.5

Proportion of total production on which price supports were extended, 1954 and 1955

	1954		1955			1954		1955	
	Amount supported (million units)	Percent of total production	Amount supported (million units)	Percent of total production		Amount supported (million units)	Percent of total production	Amount supported (million units)	Percent of total production
Corn	19.1	0.6	88.8	2.8	Barley	85	23	66.7	17
Cotton	1.8	13	5.5	37.7	Flaxseed	5.7	14	6.8	14.3
Peanuts	13.2	1.3	298.6	18.5	Grain sorghum	42.5		43.5	
Rice	15.4	24	12.5	23.6	Oats	60.2	4	51.9	3
Tobacco	233.7	10.4	323.4	14.3	Rye	5.0	20.8	9.1	31
Wheat	349.4	35.5	222.9	24	Soybeans	23.4	6.8	22.8	6.1

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 20, 1956
For actions of March 19, 1956
84th-2nd, No. 48

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HIGHLIGHTS: Senate passed farm bill, 93 to 2. Both Houses received President's foreign aid message. House conferees were appointed on bill to exempt farmers from excise tax on gasoline used on farm. House received conference report on bill extending school milk and brucellosis programs. House passed measure providing for Farm-City Week designation. House passed bill providing for loans and cost-sharing on certain irrigation systems. House passed D. C. appropriation bill for 1957. House received from FCA draft legislation affecting certain production credit corporations.

SENATE

1. FARM PROGRAM. Passed, 93 to 2, with amendments, H. R. 12 after substituting the text of the amended Senate farm bill, S. 3183, for the text of the House bill. Senators Ellender, Johnston of S. Car., Holland, Aiken, and Young were appointed conferees on the bill. pp. 4502-12
- Agreed to the following amendments:
- By Sen. Douglas, to make explicit the method of protecting tenants and sharecroppers in payments which are made for acreage put under the acreage reserve program. pp. 4468-70
- By Sen. Kerr, to require certification under price support purchase programs that prices received by the producer was not less than the support price of the commodity, or a fair price as determined by the Secretary, by a vote of 49 to 44 (a motion to reconsider was tabled, 52 to 42). pp. 4470-75
- By Sen. Holland, to make mandatory that farmers be required to place up to 15% of price-supported croplands in the acreage reserve program or the conservation reserve program to be eligible for price supports, by a vote of 48 to 46 (a motion to reconsider the vote was tabled). pp. 4476-84
- By Sen. Chavez, to increase the acreage allotments for Valencia type peanuts. pp. 4484-85
- By Sen. Murray, to reconsider a recently defeated amendment proposed by Sen. Morse to strike out section 309 of the bill which requires a 15% State

contribution to the cost of feed and seed furnished as disaster relief. The amendment was reconsidered and agreed to by a vote of 47 to 45 (a motion to reconsider the vote was tabled). pp. 4486-92

By Sen. Humphrey, to make mandatory the corn set-aside provisions of the bill; and to increase the set-asides for upland cotton and wheat, by a vote of 50 to 44 (a motion to reconsider was tabled). pp. 4492-4501

By Sen. Stennis, to provide minimum cotton acreage allotments for small farms of 4 acres, or highest number of acres planted to cotton in last 3-year period; and to provide a 1000-acre cotton allotment to the State of Nevada. pp. 4501-02.

Sen. Jerner offered and later withdrew an amendment to provide incentive payments to producers of light-weight cattle and hogs. pp. 4485-86

HOUSE

2. SCHOOL MILK; BRUCELLOSIS ERADICATION. Received the conference report on H. R. 8320, to provide for an extension of the school-milk and brucellosis eradication programs (H. Rept. 1898). pp. 4522, 4533 Consideration of the conference report was tentatively scheduled for Tues., Mar. 20. p. 4522

3. TAXATION. Requested a conference on H. R. 8780, to exempt farmers from the Federal excise tax on gasoline used on the farm, and conferees were appointed. p. 4517 Senate conferees have not yet been appointed.

The Ways and Means Committee reported with amendment H. R. 9075 to provide additional revenue from the taxes on motor fuel, tires, trucks and buses (H. Rept. 1899).

4. FOREIGN AID. Both Houses received the President's message on the Mutual Security program (H. Doc. 358). pp. 4429, 4517 The President's message requested the authority of Congress to make a program of long range expenditures possible. The message requested additional funds for economic assistance programs in the Middle East and Africa, and Asia; but noted that no economic assistance is proposed for any European country in NATO. Technical assistance programs would be continued to Europe, Middle East, Africa, Asia, and Latin America. The message further noted that attempts would be made to coordinate the disposal of surplus commodities under the Mutual Security program and activities under the Agricultural Trade Development and Assistance Act.

5. FARM-CITY WEEK. Passed with amendments H. J. Res. 317, designating the last full week in October as Farm-City Week. p. 4523

6. LANDS, DISPOSAL. At the request of Rep. Aspinall passed over without prejudice H. R. 6815, to provide for the orderly disposition of certain Title III lands acquired under the Bankhead-Jones Farm Tenant Act. p. 4523

7. RECLAMATION. At the request of Rep. Thompson, N. J., passed over without prejudice H. R. 9132, providing for the approval of the report on the Interior Department of the Ainsworth unit of the Missouri River Basin project. p. 4524
Passed as reported H. R. 5975, to authorize the Secretary of the Interior to reimburse owners of lands acquired under Federal reclamation laws for their moving expenses. p. 4524

Passed as reported S. 1194, to provide for the construction by the Interior Department and Army Corps of Engineers of the Red Willow Dam and the Wilson Dam as part of the Missouri River Basin project. p. 4525

84TH CONGRESS
2D SESSION

H. R. 12

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1956

Ordered to be printed with the amendments of the Senate

AN ACT

To amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That paragraph ~~(6)~~ of subsection ~~(d)~~ of section 101 of
4 the Agricultural Act of 1949, as amended, is amended to
5 read as follows: "the level of support to cooperators shall be
6 90 per centum of the parity price for the 1955, 1956, and
7 1957 crops of any basic agricultural commodity with respect
8 to which producers have not disapproved marketing quotas."

9 SEC. 2. The first sentence of subsection ~~(e)~~ of section
10 201 of the Agricultural Act of 1949, as amended, is amended

1 to read as follows: "The price of whole milk, butterfat, and
2 the products of such commodities, respectively, shall be sup-
3 ported at not less than 80 per centum nor more than 90 per
4 centum of the parity price therefor."

5 SEC. 3. The last sentence of section 201 (c) of the Agri-
6 cultural Act of 1949, as amended, is amended to read as
7 follows: "For the period September 1, 1954, to June 30,
8 1955, not to exceed \$50,000,000, and for the period July 1,
9 1955, to June 30, 1957, not to exceed \$75,000,000 annu-
10 ally, of the funds of the Commodity Credit Corporation
11 shall be used exclusively to increase the consumption of fluid
12 milk by children in nonprofit schools of high school grade
13 and under."

14 SEC. 4. Section 204 (c) of the Agricultural Act of
15 1954, is amended to read as follows:

16 "As a means of stabilizing the dairy industry and fur-
17 ther suppressing and eradicating brucellosis in cattle, the
18 Secretary of Agriculture is authorized to transfer not to
19 exceed \$15,000,000 for each of the fiscal years ending on
20 or before June 30, 1958, from funds available to the Com-
21 modity Credit Corporation, to the funds appropriated to the
22 Department of Agriculture for such fiscal years for the pur-
23 pose of accelerating the brucellosis eradication program, for
24 the purpose of increasing to not to exceed \$50 per head of

1 cattle the amount of the indemnities paid by the Federal
 2 Government for cattle destroyed because of brucellosis in
 3 connection with cooperative control and eradication programs
 4 for such disease in cattle entered into by the Secretary under
 5 the authority of the Act of May 29, 1884, as amended, for
 6 the purpose of increasing the number of such indemnities,
 7 and for the purpose of defraying any additional administra-
 8 tive expenses in connection therewith. —There are hereby
 9 authorized to be appropriated annually such sums as may be
 10 necessary to reimburse the Commodity Credit Corporation
 11 for expenditures pursuant to this section.”

12 *That this Act may be cited as the “Agricultural Act of*
 13 *1956”.*

14 *TITLE I—PRICE SUPPORT*

15 *WHEAT—DOMESTIC PARITY*

16 *SEC. 101. Title III of the Agricultural Adjustment Act*
 17 *of 1938, as amended, is amended (1) by changing the desig-*
 18 *nation thereof to read as follows: “TITLE III—LOANS,*
 19 *PARITY PAYMENTS, CONSUMER SAFEGUARDS,*
 20 *MARKETING QUOTAS, AND MARKETING CER-*
 21 *TIFICATES”; (2) by changing the designation of subtitle*
 22 *D thereof to read as follows: “SUBTITLE E—MISCELLANE-*
 23 *OUS PROVISIONS AND APPROPRIATIONS”; and (3) by*
 24 *inserting after subtitle C a new subtitle D, as follows:*

1 “SUBTITLE D—WHEAT MARKETING CERTIFICATES

2 “LEGISLATIVE FINDINGS

3 “SEC. 380a. *Wheat, in addition to being a basic food,*
4 *is one of the great export crops of American agriculture and*
5 *its production for domestic consumption and for export is*
6 *essential to the maintenance of a sound national economy*
7 *and to the general welfare. The movement of wheat from*
8 *producer to consumer, in the form of the commodity or any*
9 *of the products thereof, is preponderantly in interstate and*
10 *foreign commerce. That small percentage of wheat which is*
11 *produced and consumed within the confines of any State is*
12 *normally commingled with, and always bears a close and*
13 *intimate commercial and competitive relationship to, that*
14 *quantity of such commodity which moves in interstate and*
15 *foreign commerce. For this reason, any regulation of intra-*
16 *state commerce in wheat is a regulation of commerce which*
17 *is in competition with, or which otherwise affects, obstructs,*
18 *or burdens, interstate commerce in that commodity. In order*
19 *to provide an adequate and balanced flow of wheat in inter-*
20 *state and foreign commerce and thereby assist farmers in*
21 *obtaining parity of income by marketing wheat for domestic*
22 *consumption at parity prices and by increased exports at*
23 *world prices, and to assure consumers an adequate and*
24 *steady supply of wheat at fair prices, it is necessary to regu-*

1 late all commerce in wheat in the manner provided under the
2 marketing certificate plan set forth in this subtitle.

3 "DOMESTIC FOOD QUOTA

4 "SEC. 380b. Not later than July 1 of each calendar year
5 the Secretary shall determine and proclaim the domestic
6 food quota for wheat for the marketing year beginning in the
7 next calendar year. Such domestic food quota shall be that
8 number of bushels of wheat which the Secretary determines
9 will be consumed as human food in the continental United
10 States during such marketing year.

11 "APPORTIONMENT OF DOMESTIC FOOD QUOTA

12 "SEC. 380c. (a) The domestic food quota for wheat,
13 less a reserve of not to exceed 1 per centum thereof for
14 apportionment as provided in this subsection, shall be ap-
15 portioned by the Secretary among the several States on the
16 basis of the total production of wheat in each State during
17 the ten calendar years immediately preceding the calendar
18 year in which the quota is proclaimed, with such adjustments
19 as are determined to be necessary for adverse weather
20 conditions and for trends in production during such period.
21 The reserve quota set aside herein for apportionment by the
22 Secretary shall be used to establish quotas for counties, in
23 addition to the county quotas established under subsection
24 (b) of this section, on the basis of the relative needs of

1 counties for additional quota because of reclamation and
2 other new areas coming into the production of wheat during
3 the five calendar years immediately preceding the calendar
4 year in which the quota is proclaimed.

5 “(b) The State domestic food quota for wheat, less a
6 reserve of not to exceed 3 per centum thereof for apportion-
7 ment as provided in subsection (c), shall be apportioned by
8 the Secretary among the counties in the State on the basis
9 of the total production of wheat in each county during the
10 ten calendar years immediately preceding the calendar year
11 in which the quota is proclaimed, with such adjustments as
12 are determined to be necessary for adverse weather conditions
13 and for trends in production during such period.

14 “(c) The county domestic food quota for wheat shall be
15 apportioned by the Secretary, through the local committees,
16 among the farms within the county on which wheat has been
17 seeded for the production of wheat during any one or more
18 of the ten calendar years immediately preceding the
19 calendar year in which the marketing year for which the
20 quota is proclaimed begins, on the basis of the normal yield
21 of the acreage planted to wheat during such ten-years period.
22 The reserve provided under subsection (b) shall be used to
23 adjust farm quotas which the county committee determines to
24 be inequitable on the basis of tillable acres, crop-rotation
25 practices, type of soil, and topography.

1 “MARKETING CERTIFICATES

2 “SEC. 308d (a) *The Secretary shall prepare for issu-*
3 *ance in each county marketing certificates aggregating the*
4 *amount of the county domestic food quota. Such certificates*
5 *shall be issued to cooperators in an amount equal to the*
6 *domestic food quota established for the farm pursuant to the*
7 *applicable provisions of section 380c of this Act. The mar-*
8 *keting certificates for a farm shall be issued to the farm*
9 *operator, but the Secretary may authorize the issuance of*
10 *marketing certificates to individual producers on any farm*
11 *on the basis of their respective shares in the wheat crop, or*
12 *the proceeds thereof, produced on the farm. The Secretary*
13 *shall also issue and sell marketing certificates in such quan-*
14 *tities as may be required to persons processing wheat into*
15 *food products. Marketing certificates shall be transferable*
16 *only in accordance with regulations issued by the Secretary.*

17 “(b) *Whenever a domestic food quota is proclaimed for*
18 *any marketing year pursuant to section 380b of this Act, the*
19 *Secretary shall determine and proclaim for such marketing*
20 *year (1) the estimated parity price and the estimated farm*
21 *price for wheat, and (2) the value of the marketing certifi-*
22 *cate. The value of the marketing certificate shall be equal to*
23 *the amount by which the estimated parity price exceeds the*
24 *estimated farm price as determined herein. The value of*
25 *the marketing certificate shall be computed to the nearest*

1 cent. The proclamation required by this subsection shall be
2 made during the month of June immediately preceding the
3 marketing year for which such domestic food quota is
4 proclaimed.

5 “(c) The Secretary is authorized and directed through
6 the Commodity Credit Corporation to buy and sell market-
7 ing certificates issued for any marketing year at the value
8 proclaimed pursuant to subsection (b) of this section. For
9 the purpose of facilitating the purchase and sale of certifi-
10 cates, the Secretary may establish and operate a pool or
11 pools and he may also authorize public and private agencies
12 to act as his agents, either directly or through the pool or
13 pools. Certificates shall be valid to cover sales and importa-
14 tions of products made during the marketing year with
15 respect to which they are issued and after being once used to
16 cover such sales and importations shall be canceled by the
17 Secretary. Any unused certificates shall be redeemed by the
18 Secretary at the price established for such certificates.

19 “MARKETING RESTRICTIONS

20 “SEC. 380e. (a) Except as provided in subsection (d)
21 hereof, all persons engaged in the processing of wheat into
22 food products composed wholly or partly of wheat are hereby
23 prohibited from marketing any such product for domestic
24 food consumption or export containing wheat in excess of

1 the quantity for which marketing certificates issued pursuant
2 to section 380 of this Act have been acquired by such person.

3 “(b) Except as provided in subsection (d) hereof, all
4 persons are hereby prohibited from importing or bringing
5 into the continental United States any food products con-
6 taining wheat in excess of the quantity for which marketing
7 certificates issued pursuant to section 380d of this Act have
8 been acquired by such person.

9 “(c) Upon the exportation from the continental United
10 States of any food product containing wheat, with respect
11 to which marketing certificates as required herein have been
12 acquired, the Secretary shall pay to the exporter an amount
13 equal to the value of the certificates for the quantity of wheat
14 so exported in the food product. For the purposes of this
15 subsection, the consignor named in the bill of lading, under
16 which the article is exported, shall be considered the exporter:
17 Provided, however, That any other person may be considered
18 to be the exporter if the consignor named in the bill of lading
19 waives claim in favor of such other person.

20 “(d) Upon the giving of a bond satisfactory to the Sec-
21 retary under such rules and regulations as he shall prescribe
22 to secure the purchase of and payment for such marketing
23 certificates as may be required, any person required to have
24 a marketing certificate in order to market or import a food

1 *product composed wholly or partly of wheat may market or*
2 *import any such commodity without having first acquired a*
3 *marketing certificate.*

4 “(e) *As used in section 308e of this title, the term*
5 *‘marketing’ means the sale and the delivery of the food*
6 *product composed wholly or partly of wheat.*

7 “CONVERSION FACTORS

8 “SEC. 380f. *The Secretary shall ascertain and establish*
9 *conversion factors showing the amount of wheat contained in*
10 *food products processed wholly or partly from wheat. The*
11 *conversion factor for any such product shall be determined*
12 *upon the basis of the weight of wheat used in the processing*
13 *of such product.*

14 “CIVIL PENALTIES

15 “SEC. 380g. *Any person who violates or attempts to*
16 *violate, or who participates or aids in the violation of, any*
17 *of the provisions of subsection (a) or (b) of section 380e of*
18 *this Act shall forfeit to the United States a sum equal to*
19 *three times the market value, at the time of the commission*
20 *of such act, of the product involved in such violation. Such*
21 *forfeiture shall be recoverable in a civil suit brought in the*
22 *name of the United States.*

23 “ADJUSTMENTS IN DOMESTIC FOOD QUOTAS

24 “SEC. 380h. *If the Secretary has reason to believe that*
25 *because of a national emergency or because of a material*

1 increase in demand for wheat, the domestic food quota for
2 wheat should be increased or suspended, he shall cause an
3 immediate investigation to be made to determine whether the
4 increase or suspension is necessary in order to meet such
5 emergency or increase in the demand for wheat. If, on the
6 basis of such investigation, the Secretary finds that such
7 increase or suspension is necessary, he shall immediately
8 proclaim such finding (and if he finds an increase is neces-
9 sary, the amount of the increase found by him to be neces-
10 sary) and thereupon such quotas shall be increased or shall
11 be suspended, as the case may be. In case any domestic food
12 quota for wheat is increased under this section, each farm
13 quota for wheat shall be increased in the same ratio and
14 marketing certificates shall be issued therefor in accordance
15 with section 380d of this Act. In case any domestic food
16 quota for wheat is suspended under this section, the Secre-
17 tary may redetermine the value of marketing certificates
18 issued pursuant to section 380d of this Act.

19 "REPORTS AND RECORDS

20 "SEC. 380i. (a) The provisions of section 373 of this
21 Act shall apply to all persons, except wheat producers, who
22 are subject to the provisions of this subtitle, except that any
23 such person failing to make any report or keep any record
24 as required by this section or making any false report or
25 record shall be deemed guilty of a misdemeanor and upon

1 conviction thereof shall be subject to a fine of not more than
2 \$2,000 for each such violation.

3 “(b) The provisions of section 373 (b) of the Act
4 shall apply to all wheat farmers who are subject to the
5 provisions of this subtitle.

6 “REFERENDUM

7 “SEC. 380j. In the referendum held pursuant to section
8 336 of this Act on the national marketing quota proclaimed
9 for the 1957 crop of wheat, the Secretary shall also submit
10 the questions whether farmers favor a marketing certificate
11 program under this subtitle in lieu of marketing quotas under
12 subtitle B. If more than two-thirds of the farmers voting in
13 the referendum favor such marketing certificate program, the
14 Secretary may, prior to the effective date of the national
15 marketing quota proclaimed under subtitle B, suspend the
16 operation of such quota and place into effect a marketing
17 certificate program for the 1957 and subsequent wheat crops
18 under the provisions of this subtitle, in which event market-
19 ing quotas and acreage allotments shall not be in effect for
20 wheat under subtitle B.

21 “PRICE SUPPORT

22 “SEC. 380k. Notwithstanding any other provision of
23 law—

24 “(a) Whenever a wheat marketing certificate program
25 under this subtitle is in effect, price support for wheat shall

1 *be determined in accordance with the provisions of subsection*
2 *(b) of this section.*

3 “(b) *The Secretary of Agriculture is authorized to make*
4 *available through loans, purchases, or other operations, price*
5 *support to producers of wheat who are cooperators. The*
6 *amount, terms, conditions, and extent of such price-support*
7 *operations shall be determined by the Secretary, except that*
8 *the level of such support shall be determined after taking into*
9 *consideration the following factors: (1) the supply of the*
10 *commodity in relation to the demand therefor, (2) the price*
11 *levels at which corn and other feed grains are being supported*
12 *and the feed value of such grains in relation to wheat, (3)*
13 *the provisions of any international agreement relating to*
14 *wheat to which the United States is a party, (4) foreign*
15 *trade policies of friendly wheat exporting countries, and (5)*
16 *other factors affecting international trade in wheat including*
17 *exchange rates and currency regulations.*

18 “(c) *Compliance by the producer with acreage allot-*
19 *ments, production goals, and marketing practices (excluding*
20 *marketing quotas) may be prescribed and required by the*
21 *Secretary as a condition of eligibility for price support and*
22 *for the receipt of what marketing certificates.”*

23 PRICE SUPPORTS—COTTONSEED AND SOYBEANS

24 SEC. 102. *Title II of the Agricultural Act of 1949, as*

1 amended, is amended by adding at the end thereof a new
2 section as follows:

3 “SEC. 203. Whenever the price of either cottonseed or
4 soybeans is supported under this Act, the price of the other
5 shall be supported at such level as the Secretary determines
6 will cause them to compete on equal terms on the market.”

7 STANDARD GRADE FOR COTTON

8 SEC. 103. (a) Section 403 of the Agricultural Act of
9 1949, as amended, is amended by striking out the last
10 sentence thereof.

11 (b) Section 3 (a) of the Act of August 29, 1949 (7
12 U. S. C. 1301 (b)), is repealed.

13 PRICE SUPPORTS—MANUFACTURING MILK

14 SEC. 104. The first sentence of subsection (c) of section
15 201 of the Agricultural Act of 1949, as amended, is amended
16 to read as follows: “The price of whole milk, butterfat, and
17 the products of such commodities, respectively, shall be
18 supported at not less than 80 per centum nor more than 90
19 per centum of the parity price therefor using a parity equiv-
20 alent for manufacturing milk based on the thirty-month
21 period July 1946 to December 1948, both inclusive.”

22 MILK AND BRUCELLÓSIS PROGRAMS

23 SEC. 105. (a) The last sentence of section 201 (c)
24 of the Agricultural Act of 1949, as amended, is amended
25 to read as follows: “For the period beginning September

1 1, 1954, and ending June 30, 1955, not to exceed \$50,-
2 000,000, and for the fiscal year ending June 30, 1956,
3 not to exceed \$60,000,000, and for each of the two fiscal
4 years in the period beginning July 1, 1956, and ending
5 June 30, 1958, not to exceed \$75,000,000, of the funds
6 of the Commodity Credit Corporation shall be used to in-
7 crease the consumption of fluid milk by children in (1)
8 nonprofit schools of high-school grade and under; and (2)
9 such nonprofit nursery schools, child-care centers, settlement
10 houses, summer camps, and similar nonprofit institutions
11 as are devoted to the care and training of underprivileged
12 children on a public welfare or charitable basis.”

13 (b) Section 204 (e) of the Agricultural Act of 1954
14 is amended to read as follows: “As a means of stabilizing
15 the dairy industry and further suppressing and eradicating
16 brucellosis in cattle, the Secretary is authorized to transfer
17 not to exceed \$17,000,000 for the fiscal year ending June
18 30, 1956, and \$20,000,000 for each of the fiscal years
19 1957 and 1958, from funds available to the Commodity
20 Credit Corporation to the appropriation item ‘Plant and
21 Animal Disease and Pest Control’ in the Department of
22 Agriculture Appropriation Act for such fiscal year for the
23 purpose of accelerating the brucellosis eradication program,
24 for the purpose of increasing to not to exceed \$50 per head
25 of cattle the amount of the indemnities paid by the Federal

Government for cattle destroyed because of brucellosis in connection with the cooperative control and eradication programs for such disease in cattle entered into by the Secretary under the authority of the Act of May 29, 1884, as amended, for the purpose of increasing the number of such indemnities, and for the purpose of defraying any additional administrative expenses in connection therewith. There are hereby authorized to be appropriated such sums as may be necessary to reimburse the Commodity Credit Corporation for expenditures pursuant to this section."

(c) The first sentence of subsection (a) and the first sentence of subsection (b) of section 202 of the Agricultural Act of 1949, as amended, are amended by striking out "1956" and inserting in lieu thereof "1958".

PARITY FORMULA

SEC. 106. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: "as of any date during the six-year period beginning January 1, 1950,". The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with his recommendations, to Congress within six months after the enactment of this Act.

SEC. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

1 “SEC. 421. The total amount of price support made
2 available under this Act to any person for any year through
3 loans to such person, or through purchases made by Com-
4 modity Credit Corporation from such person, shall not
5 exceed \$100,000. The term ‘person’ shall mean any indi-
6 vidual, partnership, firm, joint-stock company, corporation,
7 association, trust, estate, or agency of a State. In the event
8 of any loan to, or purchase from, a cooperative marketing
9 association, such limitation shall apply to the amount of price
10 support made available through such cooperative association
11 to each person. The limitation herein on the amount of price
12 support made available to any person shall not apply if price
13 support is extended by purchases of a product of an agricul-
14 tural commodity from processors and the Secretary determines
15 that it is impracticable to apply such limitations.”

16 SEC. 108. Section 401 (e) of the Agricultural Act of
17 1949, as amended, is amended by adding at the end thereof
18 the following: “In the case of any such operation which is
19 carried out through purchases, regardless of the source of the
20 funds used for such purpose, the Secretary shall obtain from
21 the processor a certification that the price received by the pro-
22 ducer for the agricultural commodity involved was not less
23 than the support price therefor or, in the absence of a support

1 price, a fair price as determined and publicly announced
2 by the Secretary.”

3 EFFECTIVE DATE

4 SEC. 109. This title shall take effect with the 1956 crops.

5 TITLE II—SOIL BANK ACT

6 SEC. 201. This title may be cited as the “Soil Bank
7 Act”, and the term “this Act” when used in this title shall
8 mean the Soil Bank Act.

9 DECLARATION OF POLICY

10 SEC. 202. The Congress hereby finds that the produc-
11 tion of excessive supplies of agricultural commodities
12 depresses the prices and income of farm families; con-
13 stitutes improper land use and brings about soil erosion, de-
14 pletion of soil fertility, and too rapid release of water from
15 lands where it falls, thereby adversely affecting the national
16 welfare, impairing the productive facilities necessary for a
17 continuous and stable supply of agricultural commodities, and
18 endangering an adequate supply of water for agricultural
19 and nonagricultural use; overtaxes the facilities of interstate
20 and foreign transportation; congests terminal markets and
21 handling and processing centers in the flow of commodities
22 from producers to consumers; depresses prices in interstate
23 and foreign commerce; disrupts the orderly marketing of
24 commodities in such commerce; and otherwise affects,
25 burdens, and obstructs interstate and foreign commerce. It

1 is in the interest of the general welfare that the soil and
2 water resources of the Nation be not wasted and depleted
3 in the production of such burdensome surpluses and that
4 interstate and foreign commerce in agricultural commodities
5 be protected from excessive supplies. It is hereby declared
6 to be the policy of the Congress and the purposes of this
7 Act to protect and increase farm income, to protect the
8 national soil, water, and forest and wildlife resources from
9 waste and depletion, to protect interstate and foreign com-
10 merce from the burdens and obstructions which result from
11 the utilization of farm land for the production of excessive
12 supplies of agricultural commodities, and to provide for the
13 conservation of such resources and an adequate, balanced,
14 and orderly flow of such agricultural commodities in inter-
15 state and foreign commerce. To effectuate the policy of Con-
16 gress and the purposes of this Act programs are herein
17 authorized to assist farmers to divert a portion of their crop-
18 land from the production of excessive supplies of agricul-
19 tural commodities, and to carry out a program of soil, water,
20 forest and wildlife conservation. The activities authorized
21 under this Act are supplementary to the acreage allotments
22 and marketing quotas authorized under the Agricultural
23 Adjustment Act of 1938, as amended, and together with
24 such acreage allotments and marketing quotas, constitute an
25 overall program to prevent excessive supplies of agricultural

1 *commodities from burdening and obstructing interstate and*
2 *foreign commerce.*

3 *SUBTITLE A—ACREAGE RESERVE PROGRAM*

4 *TERMS AND CONDITIONS*

5 *SEC. 203. (a) Notwithstanding any other provision of*
6 *law, the Secretary of Agriculture (hereinafter referred to as*
7 *the "Secretary") is authorized and directed to formulate and*
8 *carry out an acreage reserve program for the 1956, 1957,*
9 *1958, and 1959 crops of wheat, cotton, corn, peanuts, rice,*
10 *flue-cured tobacco, burley tobacco, Maryland tobacco, dark*
11 *air-cured tobacco, fire-cured tobacco, Virginia sun-cured*
12 *tobacco, cigar binder tobacco types 51, 52, 54, and 55, and*
13 *Ohio cigar filler tobacco types 42, 43, and 44, respectively*
14 *(hereinafter referred to as "the commodity"), under which*
15 *producers shall be compensated for reducing their acreages*
16 *of the commodity below their farm acreage allotments estab-*
17 *lished under the Agricultural Adjustment Act of 1938, as*
18 *amended, or in the case of corn, below their farm acreage al-*
19 *lotments or their farm base acreages established as provided*
20 *under subsection (b) of this section 203, whichever is in*
21 *effect. To be eligible for such compensation the producer*
22 *(1) shall reduce his acreage of the commodity below his farm*
23 *acreage allotment or, in the case of corn, his farm acreage*
24 *allotment or farm base acreage, whichever is in effect*
25 *within such limits as the Secretary may prescribe,*

1 (2) shall specifically designate the acreage so with-
2 drawn from the production of such commodity (thereinafter
3 referred to as the "reserve acreage"), and (3) shall not
4 harvest any crop from, or graze, the reserve acreage unless
5 the Secretary, after certification by the Governor of the
6 State in which such acreage is situated of the need for
7 grazing on such acreage, determines that it is necessary
8 to permit grazing thereon in order to alleviate damage,
9 hardship, or suffering caused by severe drought, flood, or
10 other natural disaster, and consents to such grazing. The
11 reserve acreage shall be in addition to any acreage devoted
12 to the conservation reserve program authorized under sub-
13 title B of this Act. In the formulation and administration
14 of the acreage reserve program the Secretary shall provide
15 adequate safeguards to protect the interests of tenants and
16 sharecroppers, including provision for sharing, on a fair and
17 equitable basis, in the certificates issued pursuant to section
18 205 hereof, under which the tenants or sharecroppers share
19 in that part of such certificate which represents acreage
20 previously used or cultivated by the tenant or sharecropper
21 shall not be less than his share of the crop or produce under
22 his agreement with the owner, and including such provision
23 as may be necessary to prevent them from being forced off the
24 farm. The acreage reserve program may include such
25 terms and conditions, in addition to those specifically provided

1 for herein, including provisions relating to control of noxious
2 weeds on the reserve acreage, as the Secretary determines are
3 desirable to effectuate the purposes of this Act and to facili-
4 tate the practical administration of the acreage reserve
5 program.

6 Before any producer is entitled to receive any com-
7 pensation for participating in the acreage reserve program,
8 he must first enter into a contract with the Secretary, which
9 contract shall, in addition to such other conditions as may be
10 be prescribed by the Secretary, contain provisions by the
11 terms of which such producer shall agree:

12 (i) In the event that the Secretary determines that
13 there has been a violation of the contract at any stage during
14 the time such producer has control of the farm and that such
15 violation is of such a substantial nature as to warrant termi-
16 nation of the contract, to forfeit all rights to further payments
17 or grants under the contract, to refund to the United States
18 all payments and grants theretofore received by him there-
19 under during the crop year in which the violation occurred,
20 and to forfeit all, none, or such part of such price support
21 benefits he may otherwise be entitled to receive for such year
22 under the provisions of the Agricultural Act of 1949, as
23 amended, and to refund to the United States all, none, or
24 such part of such benefits theretofore received by him under
25 the provisions of said Act during the crop year in which

1 such violation occurred, as the Secretary may determine to
2 be appropriate.

3 (ii) In the event that the Secretary determines that
4 for any year there has been a violation of the contract but
5 that such violation is of such a nature as not to require or
6 warrant termination of the contract, to accept such payment
7 adjustments and forfeit such benefits under the contract and
8 under the price support provisions of the Agricultural Act
9 of 1949, as amended, and to make such refunds to the United
10 States of payments and benefits already received by him
11 during such year under the contract and under said Act,
12 as the Secretary may determine to be appropriate.

13 (b) (1) Not later than February 1 of each calendar year
14 in which an acreage reserve program will be in effect for
15 corn, the Secretary shall, subject to paragraph (2) hereof,
16 ascertain and proclaim (i) the commercial corn-producing
17 area provided for in section 301 (b) (4) of the Agricul-
18 tural Adjustment Act of 1938, as amended (7 U. S. C. 1301
19 (b) (4)), and (ii) the total base acreage of corn for the
20 commercial corn-producing area for such calendar year.
21 For 1956 the commercial corn-producing area previously
22 proclaimed shall remain in effect, and the total base acreage
23 of corn for the commercial corn-producing area shall be pro-
24 claimed as soon as practicable after the effective date of this
25 Act. Such total base acreage shall be 51 million acres.

1 *The total base acreage of corn for the commercial corn-*
 2 *producing area shall be apportioned by the Secretary among*
 3 *the counties in such area on the basis of the acreage of corn*
 4 *in such counties during the five calendar years immediately*
 5 *preceding the calendar year in which the apportionment is*
 6 *made (plus, in applicable years, the acreage diverted under*
 7 *previous agricultural adjustment, conservation and soil bank*
 8 *programs), with adjustments for abnormal weather condi-*
 9 *tions, for trends in acreage during such period and for the*
 10 *promotion of soil-conservation practices: Provided, That*
 11 *any downward adjustment for the promotion of soil-con-*
 12 *servation practices shall not exceed 2 per centum of the*
 13 *total base acreage that would otherwise be apportioned to*
 14 *such county. The base acreage for the county shall be ap-*
 15 *portioned by the Secretary, through the local committees,*
 16 *among the farms within the county on the basis of past acre-*
 17 *age of corn (planted and diverted), tillable acreage crop-*
 18 *rotation practices, types of soil, and topography.*

19 (2) *This subsection (b) shall become inoperative after*
 20 *1956 if in the referendum conducted pursuant to section 406*
 21 *hereof, producers do not vote in favor of the program pro-*
 22 *vided in subsection (c) of such section.*

23 *EXTENT OF PARTICIPATION IN PROGRAM*

24 *SEC. 204. For purposes of the acreage reserve program*
 25 *the Secretary shall establish a national reserve acreage goal*

1 for the 1956, 1957, 1958, and 1959 crops of wheat, cotton,
2 corn, peanuts, rice, flue-cured tobacco, burley tobacco, Mary-
3 land tobacco, dark air-cured tobacco, fire-cured tobacco, Vir-
4 ginia sun-cured tobacco, cigar binder tobacco types 51, 52,
5 54, and 55, and Ohio cigar filler tobacco types 42, 43, and
6 44, respectively. The limits within which individual farms
7 may participate in the acreage reserve program shall be
8 established in such manner as the Secretary determines is
9 reasonably calculated to achieve the national reserve acreage
10 goal and give producers a fair and equitable opportunity to
11 participate in the acreage reserve program, taking into con-
12 sideration their acreage allotments, established under the
13 Agricultural Adjustment Act of 1938, as amended, or, in
14 the case of corn, their acreage allotments or farm base
15 acreages, whichever is in effect, the supply and demand
16 conditions for different classes, grades, and qualities of the
17 commodity, and such other factors as he deems appropriate.

18 COMPENSATION OF PRODUCERS

19 SEC. 205. (a) Producers shall be compensated for par-
20 ticipating in the acreage reserve program through the issu-
21 ance of negotiable certificates which the Commodity Credit
22 Corporation shall redeem in accordance with regulations
23 prescribed by the Secretary—(1) in cash upon presentation
24 by the producer or by any holder in due course or (2) at
25 the option of the producer in the case of certificates issued

1 with respect to grains and upon presentation by him, in
2 grains (such grains to be valued by the Secretary at such
3 levels as he determines will not materially impair the market
4 price for such grain yet will, to the maximum extent prac-
5 ticable encourage acceptance of payment in grains in lieu
6 of cash): Provided, That disposition of quantities of stocks
7 hereunder in any one year shall be limited to not more than
8 two-thirds of such quantities of such commodities as the
9 Secretary determines would be a reasonable estimate of what
10 would have been produced for marketing during such
11 marketing year on the acreage withheld from production
12 under the provisions of this Act: And provided further,
13 That such stocks shall not be released prior to the end of
14 the normal harvesting season for the particular commodity
15 being released. Compensation under this section shall be at
16 such rate or rates as the Secretary determines will provide
17 producers with a fair and reasonable return for reducing their
18 acreage of the commodity, taking into consideration the loss of
19 production of the commodity on the reserve acreage, any sav-
20 ings in cost which result from not planting the commodity
21 on the reserve acreage, and the incentive necessary to achieve
22 the reserve acreage goal. The rates of payment offered under
23 this section shall be such as to encourage producers to
24 underplant their allotments more than one year. Commodities
25 delivered to producers in redemption of such certificates shall

1 not be eligible for tender to Commodity Credit Corporation
2 under the price support program.

3 (b) The total compensation paid producers for partici-
4 pating in the acreage reserve program with respect to any
5 year's crops shall not exceed \$750,000,000. The compensa-
6 tion paid any producer for participating in the acreage
7 reserve program with respect to land in any one State in any
8 year shall not exceed \$25,000.

9 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

10 SEC. 206. (a) In the future establishment of State,
11 county, and farm acreage allotments for wheat, cotton, corn,
12 peanuts, rice, flue-cured tobacco, burley tobacco, Maryland to-
13 bacco, dark air-cured tobacco, fire-cured tobacco, Virginia
14 sun-cured tobacco, cigar binder tobacco types 51, 52, 54,
15 and 55, and Ohio cigar filler tobacco types 42, 43, and 44;
16 respectively, under the Agricultural Adjustment Act of
17 1938, as amended, reserve acreages applicable to the com-
18 modity shall be credited to the State, county, and farm as
19 though such acreage had actually been devoted to the pro-
20 duction of the commodity.

21 (b) In applying the provisions of paragraph (6) of
22 Public Law 74, Seventy-seventh Congress (7 U. S. C.
23 1340 (6)), and sections 326 (b) and 356 (g) of the
24 Agricultural Adjustment Act of 1938, as amended (7
25 U. S. C. 1326 (b), 1356 (g)), relating to reduction of

1 the storage amounts of wheat and rice, the reserve acreage
 2 of the commodity on any form shall be regarded as wheat
 3 acreage or rice acreage, as the case may be, on the farm.

4 SUBTITLE B—CONSERVATION RESERVE PROGRAM

5 TERMS AND CONDITIONS

6 SEC. 207. (a) To effectuate the purposes of this Act
 7 the Secretary is hereby authorized to enter into contracts
 8 for periods of not less than three years with producers deter-
 9 mined by him to have control for the contract period of the
 10 farms covered by the contract wherein the producer shall
 11 agree:

12 (1) To establish and maintain for the contract period
 13 protective vegetative cover (including but not limited to
 14 grass and trees), water storage facilities, or other soil, water,
 15 wildlife, or forest conserving uses on a specifically designated
 16 acreage of land on the farm regularly used in the production
 17 of crops (including crops, such as tame hay, alfalfa, and
 18 clovers, which do not require annual tillage).

19 (2) To devote to conserving crops or uses, or allow
 20 to remain idle, throughout the contract period an acreage
 21 of the remaining land in the farm which is not less than
 22 the acreage normally devoted only to conserving crops or
 23 uses or normally allowed to remain idle on the entire farm.

24 (3) Not to harvest any crop from the acreage estab-
 25 lished in protective vegetative cover, excepting timber (in

1 accordance with sound forestry management) and wildlife
2 or other natural products of such acreage which do not
3 increase supplies of feed for domestic animals.

4 (4) Not to pasture any acreage established in protective
5 vegetative cover prior to January 1, 1959, or such later
6 date as may be provided in the contract, except pursuant
7 to the provisions of section 203 hereof; and if such acreage
8 is pastured at the end of such period, to pasture such acreage
9 during the remainder of the period covered by the contract
10 in accordance with sound pasture management.

11 (5) Not to adopt any practice, or divert lands on the
12 farm from conservation, woods, pasture, or other use to any
13 use, specified by the Secretary in the contract as a practice
14 or use which would tend to defeat the purposes of the contract.

15 (6) (a) In the event that the Secretary determines that
16 there has been a violation of the contract at any stage dur-
17 ing the time such producer has control of the farm and
18 that such violation is of such a substantial nature as to war-
19 rant termination of the contract, to forfeit all rights to further
20 payments or grants under the contract, to refund to the
21 United States all payments and grants theretofore received
22 by him thereunder during the crop year in which the viola-
23 tion occurred, and to forfeit all, none, or such part of such
24 price support benefits he may otherwise be entitled to receive
25 for such year under the provisions of the Agricultural Act

1 of 1949, as amended, and to refund to the United States all,
2 none, or such part of such benefits theretofore received by
3 him under the provisions of said Act during the crop year in
4 which such violation occurred, as the Secretary may deter-
5 mine to be appropriate.

6 (b) In the event that the Secretary determines that for
7 any year there has been a violation of the contract but that
8 such violation is of such a nature as not to require or war-
9 rant termination of the contract, to accept such payment
10 adjustments and forfeit such benefits under the contract and
11 under the price support provisions of the Agricultural Act
12 of 1949, as amended, and to make such refunds to the
13 United States of payments and benefits already received by
14 him during such year under the contract and under said
15 Act, as the Secretary may determine to be appropriate.

16 (7) (a) To such additional provisions as the Secretary
17 determines are desirable and includes in the contract to
18 effectuate the purposes of this Act and to facilitate the prac-
19 tical administration of the conservation reserve program, in-
20 cluding provisions relating to control of noxious weeds.

21 (b) In return for such agreement by the producer the
22 Secretary shall agree:

23 (1) To bear such part of the cost (including labor)
24 of establishing and maintaining vegetative cover or water
25 storage facilities, or other soil, water, wildlife, or forest

1 conserving uses, on the designated acreage as the Secretary
2 determines to be necessary to effectuate the purposes of this
3 Act, but not to exceed a maximum amount per acre or
4 facility prescribed by the Secretary for the county or area
5 in which the farm is situated; and

6 (2) To make an annual payment to the producer for
7 the term of the contract upon determination that he has ful-
8 filled the provisions of the contract entitling him to such
9 payment. The rate or rates of the annual payment to be
10 provided for in the contracts shall be established on such
11 basis as the Secretary determines will provide producers
12 with a fair and reasonable annual return on the land estab-
13 lished in protective vegetative cover or water storage facil-
14 ities, or other soil, water, wildlife, or forest conserving
15 uses, taking into consideration the value of the land for the
16 production of commodities customarily grown on such kind
17 of land in the county or area, the prevailing rates for cash
18 rentals for similar land in the county or area, the incentive
19 necessary to obtain contracts covering sufficient acreage for
20 the substantial accomplishment of the purposes of the con-
21 servation reserve program, and such other factors as he
22 deems appropriate. Such rate or rates may be determined
23 on an individual farm basis, a county or area basis, or such
24 other basis as the Secretary determines will facilitate the
25 practical administration of the program. No annual pay-

1 *ment to any person with respect to land in any one State shall*
2 *exceed \$7,500.*

3 *(c) In determining the lands in any area to be covered*
4 *by contracts entered into under this section, the Secretary*
5 *may use advertising and bid procedure if he determines that*
6 *such action will contribute to the effective and equitable*
7 *administration of the conservation reserve program.*

8 *(d) The Secretary shall not terminate a contract under*
9 *paragraph (6) of subsection (a) unless he determines that*
10 *the nature of the violation is such as to defeat or substantially*
11 *impair the purposes of the contract. Whenever the Secre-*
12 *tary has reason to believe that there has been a violation*
13 *which would warrant termination of a contract he shall give*
14 *the producer written notice thereof and the producer shall,*
15 *if he requests such an opportunity within thirty days after*
16 *mailing or serving of such notice, be given an opportunity*
17 *to show cause, in a formal or informal proceeding under*
18 *regulations promulgated by the Secretary, why the contract*
19 *should not be terminated. If the Secretary determines that*
20 *the contract shall be terminated the producer shall be given*
21 *written notice of such determination. If the producer feels*
22 *aggrieved by such determination, he may within ninety days*
23 *after the mailing or service of such notice appeal to the*
24 *United States district court, for the district in which the*
25 *land covered by the contract is located, for a determination*

1 of the facts in the case and judicial relief with respect thereto.
2 If the producer does not request an opportunity to show
3 cause why the contract should not be terminated, within
4 such thirty-day period, or appeal from the Secretary's deter-
5 mination within such ninety-day period, the Secretary's
6 determination shall be final and conclusive.

7 CONSERVATION RESERVE GOAL

8 SEC. 208. (a) The Secretary shall not later than Feb-
9 ruary 1 of each year determine and announce the national
10 conservation reserve goal for such year. Such goal shall
11 be that percentage which the Secretary determines it is prac-
12 ticable to cover by contracts during such year of the number
13 of acres, if any, by which (1) the acreage used for the pro-
14 duction of agricultural commodities during the year preced-
15 ing the year for which such determination is made, plus any
16 acreage then in the acreage or conservation reserve program
17 or retired from production as a result of acreage allotments
18 or marketing quotas, exceeds (2) the acreage needed during
19 the year for which such determination is made for the pro-
20 duction of agricultural commodities for domestic consump-
21 tion and export and an adequate allowance for carry-over.
22 As soon as practicable after the enactment of this Act the
23 Secretary shall determine the national conservation acreage
24 goal for 1956.

1 (b) In distributing the national acreage goal among the
 2 various States and major crop production regions, the Secre-
 3 tary shall give due regard to the respective needs of the
 4 various States and regions for flood control, drought control,
 5 and other conservation benefits; the desires of producers in
 6 particular States or regions to participate in the conservation
 7 program; the diversion of acreage from crops under acreage
 8 allotments or marketing quotas; and the need to assure
 9 adequate production of agricultural commodities and prod-
 10 ucts not in surplus and to discourage the production of
 11 agricultural commodities and products in surplus.

12 (c) The Secretary shall transmit to the Congress an-
 13 nually a report of the scope of the conservation reserve
 14 program for such year and the basis for participation in
 15 such program in the various States and major crop produc-
 16 tion regions of the country.

17 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

18 SEC. 209. (a) The Secretary is authorized to formu-
 19 late and announce programs under this subtitle B and to
 20 enter into contracts thereunder with producers during the
 21 five-year period 1956-1960 to be carried out during the
 22 period ending not later than December 31, 1969, except
 23 that contracts for the establishment of tree cover may con-
 24 tinue until December 31, 1974.

25 (b) The period covered by any contract shall not

1 *exceed ten years, except that contracts for the establishment*
2 *of tree cover may extend for fifteen years.*

3 *(c) In carrying out the conservation reserve program,*
4 *the Secretary shall not enter into contracts with producers*
5 *which would require payments to producers, including the*
6 *cost of materials and services, in excess of \$450,000,000*
7 *in any calendar year.*

8 **TERMINATION AND MODIFICATION OF CONTRACTS**

9 *SEC. 210. (a) The Secretary may terminate any con-*
10 *tract with a producer by mutual agreement with the producer*
11 *if the Secretary determines that such termination would be*
12 *in the public interest.*

13 *(b) The Secretary may agree to such modification of*
14 *contracts previously entered into as he may determine to*
15 *be desirable to carry out the purposes of this Act and to*
16 *facilitate the practical administration of the conservation*
17 *reserve program.*

18 **CONSERVATION MATERIALS AND SERVICES**

19 *SEC. 211. (a) The Secretary may purchase or produce*
20 *conservation materials and services and make such materials*
21 *and services available to producers under the conservation*
22 *reserve program to aid them in establishing vegetative cover*
23 *or water storage facilities, or other soil, water, wildlife, or*
24 *forest conserving uses, under contracts authorized by this*
25 *subtitle B, may reimburse any Federal, State, or local gov-*

1 ernment agency for conservation materials and services
2 furnished by such agency, and may pay expenses necessary
3 in making such materials and services available, including
4 all or part of the costs incident to the delivery, application,
5 or installation of materials and services.

6 (b) Notwithstanding any other provision of law, in
7 making conservation materials and services available to pro-
8 ducers hereunder, the Secretary may make payments, in
9 advance of determination of performance by the producers,
10 to persons who fill purchase orders covering approved con-
11 servation materials or who render services to the Secretary
12 in furnishing to producers approved conservation materials
13 or services for the establishment by the producers of vegeta-
14 tive cover or water storage facilities, or other soil, water,
15 wildlife, or forest conserving uses, under contracts author-
16 ized by this subtitle B. The price at which purchase orders
17 for any conservation material or service are filled may be
18 limited, if the Secretary determines that it is necessary in
19 the interest of producers and the Government, to a fair
20 price fixed in accordance with regulations prescribed by the
21 Secretary.

22 EFFECT ON OTHER PROGRAMS

23 SEC. 212. Notwithstanding any other provision of law—

24 (1) insofar as the acreage of cropland on any farm

1 enters into the determination of acreage allotments and
2 marketing quotas under the Agricultural Adjustment
3 Act of 1938, as amended, the cropland acreage on the
4 farm shall not be decreased during the period of any
5 contract entered into under the conservation reserve
6 program by reason of the establishment and maintenance
7 of vegetative cover or water storage facilities, or other
8 soil, water, wildlife, or forest conserving uses, under such
9 contract; and

10 (2) the acreage on any farm which is determined
11 under regulations of the Secretary to have been diverted
12 from the production of any commodity subject to acre-
13 age allotments or marketing quotas in order to carry
14 out the contract entered into under the conservation
15 reserve program shall be considered acreage devoted
16 to the commodity for the purposes of establishing future
17 State, county, and farm acreage allotments under the
18 Agricultural Adjustment Act of 1938, as amended.

19 PROTECTION OF TENANTS AND SHARECROPPERS

20 SEC. 213. In the administration of the conservation re-
21 serve program, the Secretary shall provide adequate safe-
22 guards to protect the interests of tenants and sharecroppers,
23 including such provision as may be necessary to prevent them
24 from being forced off the farm.

GEOGRAPHICAL APPLICABILITY

SEC. 214. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

SEC. 215. No person shall be eligible for payments of compensation under this Act with respect to any farm for any year in which the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres, or the corn acreage on the farm exceeds the farm base acreage for corn. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage for corn unless such producer knowingly exceeded such allotment and, in the case of wheat, unless such producer knowingly exceeded

1 the farm acreage allotment or fifteen acres, whichever is
2 larger.

3 REAPPORTIONMENT PROHIBITED

4 SEC. 216. No acreage diverted from the production of
5 any commodity subject to acreage allotments as a result of
6 participation in the acreage reserve or conservation reserve
7 programs shall be reapportioned or allotted to any other
8 farm.

9 CERTIFICATE OF CLAIMANT

10 SEC. 217. Payment or compensation authorized by this
11 Act may be made upon the certificate of the claimant, in
12 such form as the Secretary may prescribe, that he has com-
13 plied with all requirements for such payments and that the
14 statements and information contained in the application for
15 payment are correct and true, to the best of his knowledge
16 and belief.

17 UTILIZATION OF LOCAL AND STATE COMMITTEES

18 SEC. 218. In administering this Act in the continental
19 United States, the Secretary shall utilize the services of com-
20 munity, county, and State committees established under sec-
21 tion 8 of the Soil Conservation and Domestic Allotment Act,
22 as amended.

23 UTILIZATION OF OTHER AGENCIES

24 SEC. 219. With respect to conservation aspects of any
25 program under this Act, the Secretary shall consult with

1 the soil-conservation districts, State forests, land-grant
2 colleges, and other appropriate agencies of State govern-
3 ments in the formulation of program provisions at the State
4 and county levels. The technical resources of the Soil Con-
5 servation Service, the Forest Service, the land-grant colleges,
6 the State foresters, and other appropriate technical services
7 shall be utilized, so far as practicable, to assure coordina-
8 tion of conservation activities and a solid technical founda-
9 tion for the program.

10 UTILIZATION OF LAND USE CAPABILITY DATA

11 SEC. 220. In administering this title the Secretary shall
12 utilize to the fullest practicable extent land use capability
13 data, and shall carry forward to completion as rapidly as
14 possible the basic land inventory of the Nation.

15 FINANCING

16 SEC. 221. (a) The Secretary is authorized to utilize
17 the facilities, services, authorities, and funds of the Com-
18 modity Credit Corporation in discharging his functions and
19 responsibilities under this Act, including payment of costs
20 of administration for the programs authorized under this
21 Act: Provided, That the Secretary shall, prior to February
22 1, 1957, or such earlier date as may be practicable, submit
23 to the Congress for immediate reference to the Committees
24 on Appropriations of the Senate and House of Representa-
25 tives a full program of all operations under this Act which

1 *will require the making of expenditures prior to July 1,*
2 *1957; and, after February 1, 1957, no funds of the Com-*
3 *modity Credit Corporation shall be utilized for carrying out*
4 *the purposes of this Act. There is hereby authorized to be*
5 *appropriated such sums as may be necessary to make pay-*
6 *ments to the Corporation for its actual costs incurred under*
7 *this section.*

8 *(b) All funds available for carrying out the purposes*
9 *of this Act shall be available for transfer to such agencies*
10 *of the Federal or State governments as the Secretary may*
11 *request to cooperate or assist in carrying out this Act; and*
12 *for technical assistance in formulating and carrying out the*
13 *programs authorized by this Act. The Secretary may make*
14 *such payments in advance of determination of performance.*

15 *FINALITY OF DETERMINATIONS*

16 *SEC. 222. The facts constituting the basis for any pay-*
17 *ment or compensation, or the amount thereof, authorized to*
18 *be made under this Act, when officially determined in con-*
19 *formity with applicable regulations prescribed by the Secre-*
20 *tary, shall be final and conclusive and shall not be review-*
21 *able by any other officer or agency of the Government. In*
22 *case any producer who is entitled to any payment or com-*
23 *penensation dies, becomes incompetent, or disappears before*
24 *receiving such payment or compensation, or is succeeded by*
25 *another who renders or completes the required performance,*

1 the payment or compensation shall, without regard to any
2 other provisions of law, be made as the Secretary may de-
3 termine to be fair and reasonable in all the circumstances
4 and so provide by regulations.

5 *PENALTY FOR UNFAIR TREATMENT OF TENANTS OR*
6 *SHARECROPPERS*

7 *SEC. 223. In any case in which the Secretary deter-*
8 *mines (1) that a producer has displaced any tenant or*
9 *sharecropper, or reduced the acreage of any commodity*
10 *farmed by any tenant or sharecropper, on any farm owned*
11 *or controlled by such producer, (2) that such displacement*
12 *or reduction was made in contemplation of, or on account*
13 *of, participation by such producer in either the acreage*
14 *reserve program or the conservation reserve program, and*
15 *(3) that such displacement or reduction was without the*
16 *consent of the tenant or sharecropper, the Secretary is au-*
17 *thorized to deny such producer all or any part of the benefits*
18 *provided under this Act.*

19 *REGULATIONS*

20 *SEC. 224. The Secretary shall prescribe such regulations*
21 *as he determines necessary to carry out the provisions of*
22 *this Act.*

23 *PRODUCTION ON GOVERNMENT LANDS PROHIBITED*

24 *SEC. 225. No lease executed, renewed, or permitted to*
25 *extend beyond its earliest termination or cancellation date by*

1 any agency of the United States as lessor after the enactment
2 of this Act shall permit the lessee to produce on any land sub-
3 ject to such lease any agricultural commodity (other than live-
4 stock or livestock products) determined by the Secretary of
5 Agriculture to be in surplus supply; but this section shall not
6 be applicable to lands leased to the persons from whom they
7 were acquired by condemnation, or under threat of condem-
8 nation, or to the lands in wildlife refuges if the President
9 determines that the application of this section would interfere
10 with the effective administration of such wildlife refuges,
11 or to lands acquired adjacent to flood control reservoirs.

12 SEC. 226. (a) Notwithstanding any other provision
13 of law, beginning with the 1957 crops, the Secretary shall
14 require as a condition of eligibility for price support on any
15 agricultural crop, except tung nuts, that the producer agree,
16 if otherwise eligible, to devote an acreage of cropland (till-
17 able in regular rotation) to either the acreage reserve pro-
18 gram or the conservation reserve program, or both: Pro-
19 vided, That this requirement shall not be applied to any
20 crop as a condition of eligibility for price support in any
21 year in which marketing quotas are in effect on such crop
22 as a result of a referendum conducted prior to the enactment
23 of this Act: Provided further, That this requirement shall
24 not be applicable to any farm with fifteen acres or less de-
25 voted to price-supported crops during any one marketing

1 year: *Provided further, That the amount of such acreage*
2 *of cropland shall be determined by applying a percentage*
3 *factor to the total acreage of cropland being planted to price-*
4 *supported crops for harvest during the marketing years for*
5 *which eligibility for price support is being determined.*
6 *The percentage factor shall be that determined by the Secre-*
7 *tary, and in no event in excess of 15 per centum of the*
8 *acreage of cropland being devoted to price-supported crops.*
9 *The Secretary is authorized to make agricultural conserva-*
10 *tion payments for approved conservation practices performed*
11 *on land removed from production for market under this*
12 *section.*

13 (b) *Except as the Secretary may otherwise provide*
14 *by regulation, no producers shall be eligible for any pay-*
15 *ment under this Act if the acreage of cropland devoted to*
16 *price-supported crops, other than tung nuts, on any farm*
17 *controlled by such producer is increased to an acreage greater*
18 *than the average devoted to such crops in the immediately*
19 *preceding five years (considering normal rotation practices).*

20 SEC. 227. *Whenever management of family farms*
21 *and/or optimum land use will be aided, the Secretary of*
22 *Agriculture is authorized to permit farmers to pool their*
23 *rights to participate jointly in the Conservation Reserve pro-*
24 *gram on property other than their home farms.*

1 *TITLE III—SURPLUS DISPOSAL*2 *CORN SET-ASIDE*

3 *SEC. 301. Notwithstanding the provisions of section 102*
4 *of the Agricultural Act of 1954, two hundred and fifty*
5 *million bushels of corn shall be added to the community*
6 *set-aside created pursuant to section 101 of that Act, and the*
7 *maximum and minimum quantities of upland cotton shall*
8 *be raised to nine million and seven and one-half million*
9 *bales, and the maximum and minimum quantities of wheat*
10 *shall be raised to eight hundred and seven hundred and fifty*
11 *million bushels respectively.*

12 *PROGRAM OF ORDERLY LIQUIDATION*

13 *SEC. 302. (a) The Commodity Credit Corporation*
14 *shall, as rapidly as possible consistent with its existing*
15 *authority, the operation of the price support program, and*
16 *orderly liquidation, dispose of all stocks of agricultural com-*
17 *modities held by it.*

18 *(b) The Secretary shall submit a detailed program for*
19 *the disposition of surplus commodities as required by subsec-*
20 *tion (a) to Congress within sixty days after the enactment*
21 *of this Act and shall report annually thereafter on his opera-*
22 *tions under subsection (a). Such programs and annual*
23 *reports shall show—*

24 *(1) the quantities of surplus commodities on hand;*

1 (2) the methods of disposition utilized and the quan-
2 tities disposed of during the preceding twelve months;

3 (3) the methods of disposition to be utilized and the
4 estimated quantities that can be disposed of during the
5 succeeding twelve months;

6 (4) a detailed program for the expansion of mar-
7 kets for surplus agricultural commodities through mar-
8 keting and utilization research and improvement of mar-
9 keting facilities; and

10 (5) recommendations for additional legislation
11 necessary to accomplish the purposes of this section.

12 REESTABLISHMENT OF HISTORIC SHARE OF WORLD

13 COTTON MARKET

14 SEC. 303. In furtherance of the current policy of the
15 Commodity Credit Corporation of offering surplus agri-
16 cultural commodities for sale for export at competitive prices,
17 the Commodity Credit Corporation is directed to use its exist-
18 ing powers and authorities immediately upon the enactment
19 of this Act to encourage sales for export of such quantities of
20 cotton as will reestablish and maintain the fair historical share
21 of the world market for United States cotton, said volume
22 to be determined by the Secretary of Agriculture. Cotton
23 made available by the Commodity Credit Corporation under
24 section 102 of the Agricultural Trade Development and

1 *Assistance Act of 1954, as amended, shall be sold at com-*
2 *petitive world prices.*

3 *EXTRA-LONG STAPLE COTTON*

4 *SEC. 304. (a) Hereafter the quota for cotton having*
5 *a staple length of one and one-eighth inches or more, estab-*
6 *lished September 20, 1939, pursuant to section 22 of the*
7 *Agricultural Adjustment Act of 1933, as amended, shall*
8 *apply to the same grades and staple lengths included in the*
9 *quota when such quota was initially established.*

10 *(b) Effective not later than August 1, 1956, the Sec-*
11 *retary of Agriculture and the Commodity Credit Corpora-*
12 *tion are directed to use their existing powers and authori-*
13 *ties to encourage the sale for export at competitive world*
14 *prices a quantity of domestically produced extra long staple*
15 *cotton equal to the amount of such cotton acquired by and*
16 *brought to the United States pursuant to the Act of June 7,*
17 *1939, which acquisition was not limited by the quota estab-*
18 *lished pursuant to section 22 of the Agricultural Adjustment*
19 *Act of 1933, as amended. The amount offered and the price*
20 *accepted by the Secretary and the Commodity Credit Corpo-*
21 *ration shall be such as to dispose of such quantity in an*
22 *orderly manner and within a reasonable period of time.*

23 *APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS*

24 *SEC. 305. There is hereby authorized to be appropriated*

1 for each fiscal year, beginning with the fiscal year ending
2 June 30, 1957, the sum of \$500,000,000 to enable the Sec-
3 retary of Agriculture to further carry out the provisions of
4 section 32, Public Law 320, Seventy-fourth Congress, as
5 amended (7 U. S. C. 612c), subject to all provisions of law
6 relating to the expenditure of funds appropriated by such
7 section, except that the 25 per centum limitation on the ex-
8 penditure of funds with respect to any one agricultural com-
9 modity or product thereof shall not apply to the funds herein
10 authorized.

11 TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL
12 STOCKPILE

13 SEC. 306. (a) Strategic and other materials acquired by
14 the Commodity Credit Corporation as a result of barter or ex-
15 change of agricultural commodities or products, unless acquired
16 for the national stockpile established pursuant to the Strategic
17 and Critical Materials Stockpile Act (50 U. S. C. 98-98h),
18 or for other purposes shall be transferred to the supplemental
19 stockpile established by section 104 (b) of the Agricultural
20 Trade Development and Assistance Act of 1954 (7 U. S. C.
21 1704).

22 (b) Strategic materials acquired by the Commodity
23 Credit Corporation as a result of barter or exchange of
24 agricultural commodities or products may be entered or
25 withdrawn from warehouse, free of duty.

1 *(c) In order to reimburse the Commodity Credit Cor-*
 2 *poration for materials transferred to the supplemental stock-*
 3 *pile there are hereby authorized to be appropriated amounts*
 4 *equal to the value of any materials so transferred. The value*
 5 *of any such material for the purpose of this subsection, shall*
 6 *be the lower of the domestic market price or the Commodity*
 7 *Credit Corporation's investment therein as of the date of*
 8 *such transfer, as determined by the Secretary of Agriculture.*

9 *SURPLUS DISPOSAL ADMINISTRATOR*

10 *SEC. 307. The Secretary of Agriculture is authorized*
 11 *to appoint an agricultural surplus disposal administrator,*
 12 *at a salary rate of not exceeding \$15,000 per annum, whose*
 13 *duties shall include such responsibility for activities of the*
 14 *Department, including those of the Commodity Credit Cor-*
 15 *poration, relating to the disposal of surplus agricultural*
 16 *commodities as the Secretary may direct.*

17 *USE OF VOLUNTARY AGENCIES*

18 *SEC. 309. That the Agricultural Trade Development*
 19 *and Assistance Act of 1954, as amended, is amended as*
 20 *follows:*

21 *(a) Section 201 is amended by striking out "free on*
 22 *board vessels in United States ports,".*

23 *(b) Section 202 is amended by striking out the period at*
 24 *the end thereof and inserting ": Provided further, That such*

1 *transfer may include delivery free on board vessels in United*
 2 *States ports and, upon a determination by the President that*
 3 *it is necessary to accomplish the purposes of this title, or sec-*
 4 *tion 416 of the Agricultural Act of 1949, as amended, ocean*
 5 *freight charges from United States ports to designated ports*
 6 *of entry for such nations or populations, may be paid from*
 7 *funds available to carry out this title.*

8 (c) *Section 203 is amended by striking out “\$300,000,-*
 9 *000” and inserting “\$500,000,000”.*

10 (d) *The first sentence of section 203 is further amended*
 11 *by inserting before the period at the end thereof the following:*
 12 *“and for ocean freight charges authorized by this title”.*

13 COMMISSION TO PREPARE LEGISLATION PROVIDING FOR
 14 INCREASED INDUSTRIAL USE OF AGRICULTURAL
 15 PRODUCTS

16 SEC. 309. (a) (1) *There is hereby established a Com-*
 17 *mission on Increased Industrial Use of Agricultural Prod-*
 18 *ucts (hereafter referred to as “the Commission”). The Com-*
 19 *mission shall be composed of five members to be appointed by*
 20 *the President by and with the advice and consent of the*
 21 *Senate. In making such appointments the President shall*
 22 *give due consideration to the interests of various segments of*
 23 *agriculture. One of the members so appointed shall be*
 24 *designated as Chairman by the President.*

25 (2) *Members of the Commission shall be paid compen-*

1 sation at the rate of \$50 per day and shall be reimbursed
2 for necessary traveling and other expenses incurred by them
3 in the performance of their duties as members of the
4 Commission.

5 (3) The Commission is authorized to appoint and fix
6 the compensation, without regard to the civil-service laws
7 and the Classification Act of 1949, as amended, of an
8 executive director and such chemists, engineers, agriculturists,
9 attorneys and other assistants as it may deem necessary.
10 The Secretary of Agriculture is authorized to provide the
11 Commission with necessary office space, and may detail, on
12 a reimbursable basis, any personnel of the Department of
13 Agriculture to assist the Commission in carrying out its
14 work.

15 (4) Upon request of the Commission, any other depart-
16 ment or agency of the Government having information or
17 data needed by the Commission in carrying out its duties
18 under this section, shall make such information or data avail-
19 able to the Commission for such purposes. The Commission
20 shall take such steps as may be necessary to protect against
21 unauthorized disclosure any such information or data which
22 may be classified for security purposes.

23 (5) Service of an individual as a member of the Com-
24 mission or employment of an individual by the Commission
25 in a technical or professional field, on a part-time or full-

1 *time basis, shall not be considered as service or employment*
2 *bringing such individual within the provisions of section 281,*
3 *283, 284, 434, or 1914 of title 18 of the United States*
4 *Code, or section 190 of the Revised Statutes (5 U. S. C. 99).*

5 *(b) It shall be the duty of the Commission to prepare*
6 *and present to the Congress, not later than June 15, 1957,*
7 *the necessary recommendations which in its opinion will bring*
8 *about the greatest practical use for industrial purposes of*
9 *agricultural products not needed for human or animal con-*
10 *sumption, including, but not limited to, use in the manu-*
11 *facture of rubber, industrial alcohol, motor fuels, plastics,*
12 *and other products.*

13 *(c) There is hereby authorized to be appropriated such*
14 *sum, not to exceed \$150,000, as may be necessary to enable*
15 *the Commission to carry out its functions.*

16 *(d) Upon submission of the recommendations referred*
17 *to in subsection (b), the Commission shall cease to exist.*

18 *(e) (1) Any bill or joint resolution embodying the*
19 *recommendations presented to the Congress under subsection*
20 *(b) shall, upon introduction in the Senate or House of*
21 *Representatives, be referred to the Committee on Agriculture*
22 *and Forestry of the Senate or the Committee on Agriculture*
23 *of the House of Representatives, as the case may be. Such*
24 *committee shall proceed as expeditiously as possible to con-*
25 *sider such bill or joint resolution.*

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

SEC. 310. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate commodities acquired through price support operations to Federal penal and correctional institutions, other than food products to those in which food service is provided for inmates on a fee, contract, or concession basis.

FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL PROJECTS

SEC. 311. (a) For a period of three years from the date of enactment of this Act, no agricultural commodity determined by the Secretary of Agriculture in accordance

1 *with subsection (c) to be in surplus supply shall receive*
2 *any crop loans or federal farm payments or benefits on*
3 *any newly irrigated or drained lands within any Federal*
4 *irrigation or drainage project hereafter authorized unless*
5 *such lands were used for the production of such commodity*
6 *prior to the enactment of this Act.*

7 *(b) The Secretary of the Interior and the Secretary of*
8 *Agriculture shall cause to be included, in all irrigation, drain-*
9 *age, or flood-control contracts entered into with respect to*
10 *Federal irrigation, drainage, or flood-control projects here-*
11 *after authorized, such provisions as they may deem necessary*
12 *to provide for the enforcement of the provisions of this sec-*
13 *tion. For a period of three years from the date of enactment*
14 *of this Act surplus crops grown on lands reclaimed by flood-*
15 *control projects hereafter authorized and the lands so re-*
16 *claimed shall be ineligible for any benefits under the soil-bank*
17 *provisions of this Act and under price support legislation.*

18 *(c) On or before October 1 of each year, the Secretary*
19 *of Agriculture shall determine and proclaim the agricultural*
20 *commodities the supplies of which are in excess of estimated*
21 *requirements for domestic consumption and export plus ade-*
22 *quate reserves for emergencies. The commodities so pro-*
23 *claimed shall be considered to be in surplus supply for the*
24 *purposes of subsection (a) during the succeeding crop year.*

25 *(d) For the purposes of this section the term "Federal*

1 irrigation or drainage project" means any irrigation or
 2 drainage project subject to the Federal reclamation laws
 3 (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory
 4 thereof or supplementary thereto) in effect at the date of the
 5 adoption of this amendment and any irrigation or drainage
 6 project subject to the laws relating to irrigation and drainage
 7 administered by the Department of Agriculture or the
 8 Secretary of Agriculture.

9 SEC. 312. Section 416 of the Agricultural Act of 1949,
 10 as amended, is amended by inserting before the last sentence
 11 thereof a new sentence as follows: "In addition, in the case
 12 of food commodities disposed of under this section, the Com-
 13 modity Credit Corporation may pay the cost of processing
 14 such commodities into a form suitable for home or institu-
 15 tional use, such processing to be accomplished through private
 16 trade facilities to the greatest extent possible."

17 TITLE IV—MARKETING QUOTAS AND 18 ACREAGE ALLOTMENTS

19 EXTENSION OF SURRENDER AND REAPPORTIONMENT

20 PROVISIONS FOR WHEAT ACREAGE ALLOTMENTS

21 SEC. 401. Section 334 (f) of the Agricultural Ad-
 22 justment Act of 1938, as amended, is amended by striking
 23 out "1955" wherever it appears in such subsection and
 24 inserting in lieu thereof "1955, 1956, or 1957".

1 *SEC. 402. (a) That section 335 of the Agricultural Ad-*
2 *justment Act of 1938, as amended, is further amended by*
3 *adding a new subsection (f) after subsection (e) to read as*
4 *follows:*

5 *“(f) The Secretary, upon application made pursuant*
6 *to regulations prescribed by him, shall exempt producers from*
7 *any obligation under this Act to pay the penalty on, deliver*
8 *to the Secretary, or store the farm marketing excess with*
9 *respect to any farm for any crop of wheat harvested in 1956*
10 *or subsequent years on the following conditions:*

11 *“(1) That none of such crop of wheat is removed from*
12 *such farm;*

13 *“(2) That such entire crop of wheat is used for food or*
14 *seed on such farm, or is fed on such farm to livestock, includ-*
15 *ing poultry, owned by any such producer, or a subsequent*
16 *owner, or operator of the farm;*

17 *“(3) That such producers and their successors comply*
18 *with all regulations prescribed by the Secretary for the pur-*
19 *pose of determining compliance with the foregoing conditions.*

20 *“(b) Failure to comply with any of the foregoing condi-*
21 *tions shall cause the exemption to become immediately null and*
22 *void unless such failure is due to circumstances beyond the*
23 *control of such producers as determined by the Secretary.*
24 *In the event an exemption becomes null and void, the pro-*
25 *visions of this Act shall become applicable to the same extent*

1 as if such exemption had not been granted. No acreage
 2 planted to wheat in excess of the farm acreage allotment for
 3 a crop covered by an exemption hereunder shall be con-
 4 sidered in determining any subsequent wheat acreage allot-
 5 ment or marketing quota for such farm."

6 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

7 SEC. 403. Section 342 of the Agricultural Adjustment
 8 Act of 1938, as amended, is hereby amended by adding at
 9 the end thereof the following: "Notwithstanding the forego-
 10 ing provisions of this section, the national marketing quota
 11 for cotton for 1957 and 1958 shall be not less than the
 12 number of bales required to provide a national acreage
 13 allotment for 1957 and 1958 equal to the national acreage
 14 allotment for 1956."

15 COTTON—SMALL FARM ALLOTMENTS

16 SEC. 404. (a) Section 344 (b) of the Agricultural
 17 Adjustment Act of 1938, as amended, is amended by insert-
 18 ing before the period at the end thereof a colon and the fol-
 19 lowing: "Provided, That there is hereby established a national
 20 acreage reserve consisting of one hundred thousand acres
 21 which shall be in addition to the national acreage allotment;
 22 and such reserve shall be apportioned to the States on the basis
 23 of their needs for additional acreage for establishing minimum
 24 farm allotments under subsection (f) (1), as determined by
 25 the Secretary without regard to State and county acreage

1 reserves (except that the amount apportioned to Nevada shall
2 be one thousand acres), and the additional acreage so appor-
3 tioned to the State shall be apportioned to the counties on the
4 same basis and added to the county acreage allotment for
5 apportionment to farms pursuant to subsection (f) of this
6 section (except that no part of such additional acreage shall
7 be used to increase the county reserve above 15 per centum
8 of the county allotment determined without regard to such
9 additional acreage). Additional acreage apportioned to a
10 State for any year under the foregoing proviso shall not be
11 taken into account in establishing future State acreage allot-
12 ments. Needs for additional acreage under the foregoing
13 proviso and under the last proviso in subsection (e) shall
14 be determined as though allotments were first computed with-
15 out regard to subsection (f) (1)."

16 (b) Section 344 (e) of the Agricultural Adjustment
17 Act of 1938, as amended, is amended by inserting before
18 the period at the end thereof a colon and the following:
19 "Provided further, That if the additional acreage allocated
20 to a State under the proviso in subsection (b) is less than the
21 requirements as determined by the Secretary for establishing
22 minimum farm allotments for the State under subsection
23 (f) (1), the acreage reserved by the State committee under
24 this subsection shall be not less than the smaller of (1) the
25 remaining acreage so determined to be required for estab-

1 *lishing minimum farm allotments or (2) 3 per centum of*
 2 *the State acreage allotment; and the acreage which the State*
 3 *committee is required to reserve under this proviso shall be*
 4 *allocated to counties on the basis of their needs for additional*
 5 *acreage for establishing minimum farm allotments under sub-*
 6 *section (f) (1), and added to the county acreage allotment*
 7 *for apportionment to farms pursuant to subsection (f) of this*
 8 *section (except that no part of such additional acreage shall*
 9 *be used to increase the county reserve above 15 per centum*
 10 *of the county allotment determined without regard to such*
 11 *additional acreages)."*

12 *(c) Section 344 (f) of the Agricultural Adjustment*
 13 *Act of 1938, as amended, is amended by changing paragraph*
 14 *(1) to read as follows:*

15 *"(1) Insofar as such acreage is available, there shall be*
 16 *allotted the smaller of the following: (A) four acres; or (B)*
 17 *the highest number of acres planted to cotton in any year*
 18 *of such three-year period."*

19 *(d) The first sentence of section 344 (f) (6) of such*
 20 *Act is amended to read as follows: "Notwithstanding the*
 21 *provisions of paragraph (2) of this subsection, if the county*
 22 *committee recommends such action and the Secretary deter-*
 23 *mined that such action will result in a more equitable distri-*
 24 *bution of the county allotment among farms in the county, the*
 25 *remainder of the county acreage allotment (after making*

1 allotments as provided in paragraph (1) of this subsection)
2 shall be allotted to farms other than farms to which an
3 allotment has been made under paragraph (1) (B) of this
4 subsection so that the allotment to each farm under this
5 paragraph together with the amount of the allotment of such
6 farm under paragraph (1) (A) of this subsection shall be a
7 prescribed percentage (which percentage shall be the same
8 for all such farms in the county) of the average acreage
9 planted to cotton on the farm during the three years imme-
10 diately preceding the year for which such allotment is deter-
11 mined, adjusted as may be necessary for abnormal conditions
12 affecting plantings during such three-year period: Provided,
13 That the county committee may in its discretion limit any
14 farm acreage allotment established under the provisions of
15 this paragraph for any year to an acreage not in excess of
16 50 per centum of the cropland on the farm, as determined
17 pursuant to the provisions of paragraph (2) of this sub-
18 section: Provided further, That any part of the county
19 acreage allotment not apportioned under this paragraph by
20 reason of the initial application of such 50 per centum limita-
21 tion shall be added to the county acreage reserve under para-
22 graph (3) of this subsection and shall be available for the
23 purposes specified therein.”

24 (e) The amendments made by this section shall be effective
25 only with respect to 1957 and 1958 crops.

1 MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE

2 CROP

3 SEC. 405. Section 353 of the Agricultural Adjustment
4 Act of 1938, as amended, is amended by adding to sub-
5 section (c) a new paragraph (5.) to read as follows:

6 “(5) Each of the State acreage allotments for 1956
7 heretofore proclaimed by the Secretary, after adding thereto
8 any acreage apportioned to farms in the State from the
9 reserve acreage set aside pursuant to subsection (a) of this
10 section, shall be increased by such amount as may be neces-
11 sary to provide such State with an allotment of not less
12 than 85 per centum of its final allotment established for
13 1955. Any additional acreage required to provide such
14 minimum allotment shall be additional to the national acre-
15 age allotment. In any State having county acreage allot-
16 ments for 1956, the increase in the State allotment shall be
17 apportioned among counties in the State on the same basis
18 as the State allotment was heretofore apportioned among
19 the counties, but without regard to adjustments for trends
20 in acreage.”

21 PEANUT MARKETING PENALTIES

22 SEC. 406. Effective beginning with the 1956 crop, section
23 359 (a) of the Agricultural Adjustment Act of 1938, as
24 amended, is amended by amending the first sentence thereof
25 to read as follows: “The marketing of any peanuts in excess

1 of the marketing quota for the farm on which such peanuts
 2 are produced, or the marketing of peanuts from any farm for
 3 which no acreage allotment was determined, shall be subject to
 4 a penalty at a rate equal to 75 per centum of the support
 5 price for peanuts for the marketing year (August 1–July
 6 31).”

7 SEC. 407. Section 359 of the Agricultural Adjustment
 8 Act of 1938, as amended, is amended by adding two new
 9 subsections as follows:

10 “(d) The person liable for payment or collection of the
 11 penalty provided by this section shall be liable also for
 12 interest thereon at the rate of 6 per centum per annum from
 13 the date the penalty becomes due until the date of payment
 14 of such penalty.

15 “(e) Until the amount of the penalty provided by this
 16 section is paid, a lien on the crop of peanuts with respect to
 17 which such penalty is incurred, and on any subsequent crop
 18 of peanuts subject to marketing quotas in which the person
 19 liable for payment of the penalty has an interest, shall be in
 20 effect in favor of the United States.”

21 VIRGINIA AND VALENCIA TYPE PEANUTS

22 SEC. 408. Section 358 (c) (2) of the Agricultural
 23 Adjustment Act of 1938, as amended, is amended by insert-
 24 ing after the second sentence thereof a new sentence as fol-
 25 lows: “In any State in which the acreage devoted to the

1 *production of Virginia or Valencia type peanuts for 1956*
 2 *or any subsequent year is less than ten thousand acres, the*
 3 *Secretary shall increase the acreage allotment of such State*
 4 *for such year by 50 per centum, if there is filed with the*
 5 *Secretary by processors within such State a written state-*
 6 *ment of their intention to purchase the peanuts produced on*
 7 *such additional acreage at not less than the parity price*
 8 *thereof, such statements for years subsequent to 1956 to be*
 9 *filed prior to the announcement by the Secretary of the*
 10 *national marketing quotas for such years."*

11 *PRESERVATION OF UNUSED ACREAGE ALLOTMENTS*

12 *SEC. 409. The Agricultural Adjustment Act of 1938,*
 13 *as amended, is amended by inserting after section 376 a new*
 14 *section as follows:*

15 *"PRESERVATION OF UNUSED ACREAGE ALLOTMENTS*

16 *"SEC. 377. In any case in which, during any year after*
 17 *1955 for which acreage allotments are in effect for any com-*
 18 *modity under this Act, the acreage planted to such com-*
 19 *modity on any farm is less than the acreage allotment*
 20 *for such farm, the entire acreage allotment for such farm*
 21 *shall be considered for purposes of future farm acreage allot-*
 22 *ments to have been planted to such commodity in such year,*
 23 *but only if the owner or operator of such farm notifies the*
 24 *county committee prior to the sixtieth day preceding the*
 25 *beginning of the marketing year for such commodity of his*

1 *desire to preserve such allotment. This section shall not*
2 *be applicable to any form on which no acreage of the com-*
3 *modity was planted for four successive years or in any case*
4 *in which the amount of the commodity required to be stored*
5 *to postpone or avoid payment of penalty has been reduced*
6 *because the allotment was not fully planted. Nothing herein*
7 *shall be construed to permit the allotment to any other farm*
8 *of the acreage with respect to which notice is given under*
9 *this section."*

10 *SEC. 410. (a) Notwithstanding any other provision of*
11 *law, and in lieu of corn acreage allotments for 1956 (which*
12 *shall be inoperative for 1956), the Secretary shall require*
13 *as a condition of eligibility for price support on corn, that*
14 *the producer agree to devote an acreage of cropland (tilled*
15 *in normal rotation), at the option of the producer, to either*
16 *the acreage reserve program or the conservation reserve*
17 *program, equal to 15 per centum of such producer's farm*
18 *base acreage for corn. The producer by electing to partici-*
19 *pate in the acreage reserve program, underplanting his*
20 *farm base acreage for corn, and otherwise complying with*
21 *the provisions of section 203 hereof, shall earn a payment*
22 *under subtitle A of this title. The producer by electing to*
23 *participate in the conservation reserve program and other-*
24 *wise complying with the provisions of section 207 hereof*

1 shall earn a conservation reserve payment under subtitle
2 B of this title.

3 (b) Not later than December 15, 1956, the Secretary
4 shall conduct a referendum of producers of corn in 1956 in
5 the commercial corn-producing area to determine whether
6 such producers favor a price-support program as provided in
7 subsection (c) of this section for the 1957 and subsequent
8 crops in lieu of acreage allotments as provided in the Agri-
9 cultural Adjustment Act of 1938, as amended, and price
10 support as provided in section 101 of the Agricultural Act
11 of 1949, as amended.

12 (c) Notwithstanding any other provision of law, if
13 two-thirds or more of the producers voting in the referendum
14 conducted pursuant to subsection (b) hereof favor a price-
15 support program as provided in this subsection (c), no
16 acreage allotment of corn shall be established for the com-
17 mercial corn-producing area, for any county, or for any
18 farm, with respect to the 1957 and subsequent crops, and
19 price support made available for such crops by Commodity
20 Credit Corporation shall be at such level as the Secretary de-
21 termines will assist producers in marketing corn in the normal
22 channels of trade but not encourage the uneconomic produc-
23 tion of corn.

24 (d) The price of grain sorghums, barley, oats, and rye,

1 respectively, shall be supported in any area through loans,
2 purchases, or other operations during 1956 at a price deter-
3 mined by the Secretary to bear the same ratio to the support
4 price of corn in such area as the feed value equivalents of
5 such grains bear to the feed value of corn: Provided, That
6 (1) the support price in any area for the 1956 crop of any
7 such commodity shall not be lower than the support price
8 therefor announced prior to the enactment of this subsec-
9 tion, and (2) the producers of such commodities, to be
10 eligible for price support, shall have (a) entered into con-
11 tracts with the Secretary to place into the acreage reserve or
12 the conservation reserve a portion of the tillable acres of
13 grain sorghums, rye, oats, and barley equivalent to 15
14 per centum of the average number of acres devoted to
15 production of such commodities, during the preceding three
16 years, and (b) planted an acreage of such commodities not
17 exceeding the average acreage, planted to such commodities
18 on the farm during the preceding three years. After 1956
19 the support level on any such crop shall be 95 per centum
20 of the support level established for corn in the commercial
21 area, with such adjustments on price support levels for each
22 such grain as determined by the feed equivalent that such
23 grain bears to the feed value of corn.

TITLE V—RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "TITLE III—PARITY PAYMENTS, CONSUMER SAFEGUARDS, MARKETING QUOTAS, AND RICE CERTIFICATES"; (2) by changing the designation of subtitle D thereof to read as follows: "SUBTITLE E—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"SUBTITLE D—RICE CERTIFICATES

"LEGISLATIVE FINDINGS

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental

1 *to and in addition to the findings contained in section 351*
2 *of this Act.*

3 “EFFECTIVE DATE AND TERMINATION

4 “SEC 380b. *The provisions of this subtitle, unless ex-*
5 *tended by law, shall apply only to the crops of rice harvested*
6 *in 1956 and 1957. Notwithstanding any other provision of*
7 *law, the national acreage allotment of rice for 1957 shall*
8 *be not less than the national acreage allotment for 1956,*
9 *including any acreage allotted under section 353 (c) (5)*
10 *of this Act, and such 1957 national allotment shall be appor-*
11 *tioned among the States in the same proportion that they*
12 *shared in the total acreage allotted in 1956.*

13 “RICE PRIMARY MARKET QUOTA

14 “SEC. 380c. *Not later than December 31 of each year,*
15 *the Secretary shall determine and proclaim the primary*
16 *market quota for rice for the marketing year beginning in*
17 *the next calendar year, except that for the marketing year*
18 *beginning in 1956 such determination and proclamation shall*
19 *be made not later than thirty days after the enactment of the*
20 *Agricultural Act of 1956. The primary market quota shall*
21 *be the number of hundredweights of rice (on a rough rice*
22 *basis) which the Secretary determines will be consumed*
23 *in the United States (including its Territories and pos-*
24 *sessions and the commonwealth of Puerto Rico) or ex-*
25 *ported to Cuba, during such marketing year. In making*

1 *this determination the Secretary shall consider the historical*
 2 *consumption in these markets of rice produced in the United*
 3 *States and any expected enlargement in such consumption*
 4 *predicated upon population trends, increased per capita con-*
 5 *sumption, and other relevant factors.*

6 "APPORTIONMENT OF PRIMARY MARKET QUOTA

7 "SEC. 380d. (a) *The primary market quota for rice*
 8 *shall be apportioned by the Secretary among the several*
 9 *States on the basis of the average yield per acre of rice in*
 10 *each State during the three years immediately preceding the*
 11 *year for which the quota is proclaimed (or in the case of the*
 12 *apportionment for 1957, during the two years preceding such*
 13 *year) multiplied by the acreage allotment of such State for*
 14 *such year. Notwithstanding the foregoing provisions of*
 15 *this subsection, the primary market quota for rice shall be*
 16 *apportioned by the Secretary among the several States for*
 17 *the marketing year beginning in 1956 on the basis of the 1955*
 18 *production of rice in each State.*

19 "(b) *The State primary market quota shall be appor-*
 20 *tioned by the Secretary among farms on the basis of the acre-*
 21 *age allotment established for each farm multiplied by the*
 22 *normal yield per acre for the farm.*

23 "REVIEW OF PRIMARY MARKET QUOTA

24 "SEC. 380e. *Notice of the primary market quota shall*
 25 *be mailed to the operator of the farm to which such quota*

1 applies. The farm operator may have such quota reviewed
2 in accordance with the provisions of sections 363 to 368,
3 inclusive, of this Act.

4 "PRICE SUPPORT

5 "SEC. 380f. (a) Notwithstanding any other provision
6 of law, the Commodity Credit Corporation shall make price
7 support available to cooperators through loans, purchases, or
8 other operations on the 1956 crop of rice at 55 per centum
9 of the parity price of rice as of the beginning of the market-
10 ing year and on the 1957 and subsequent crops of rice at
11 such level, not less than 50 per centum or more than 90 per
12 centum of the parity price therefor, as the Secretary deter-
13 mines will not discourage or prevent the exportation of rice
14 produced in the United States.

15 "(b) Section 101 of the Agricultural Act of 1949, as
16 amended, shall not apply to price support made available on
17 rice of the 1956 and 1957 crops, but all the other provisions
18 of such Act, to the extent not inconsistent with this subtitle,
19 shall apply to price support operations carried out under this
20 section.

21 "CERTIFICATES

22 "SEC. 380g. (a) The Secretary of Agriculture shall
23 for each marketing year issue certificates to cooperators for
24 a quantity of rice equal to the primary marketing quota for
25 the farm for such marketing year, but not exceeding the

1 normal yield of the acreage planted to rice on the farm. The
2 certificate shall have the value specified in subsection (e) of
3 this section.

4 “(b) The landlord, tenants, and sharecroppers on the
5 farm shall share in the certificates issued with respect to the
6 farm in the same proportion as they share in the rice pro-
7 duced on the farm or the proceeds therefrom.

8 “(c) The provisions of section 385 of this Act shall
9 be applicable to certificates issued to producers under this
10 section.

11 “(d) The Commodity Credit Corporation shall issue
12 and sell certificates to persons engaged in the processing of
13 rough rice or the importing of processed rice. Each such
14 certificate shall be sold for an amount equal to the value
15 thereof, as specified in subsection (e) of this section.

16 “(e) The value of each certificate issued under this
17 section shall be equal to the difference between 90 per centum
18 of the parity price of rice as of the beginning of the marketing
19 year for which the certificate is issued and the level of
20 price support for rice which is in effect during such market-
21 ing year, calculated to the nearest cent, multiplied by the
22 quantity of rice for which the certificate is issued. Any cer-
23 tificates not used to cover the processing of rice or the im-
24 portation of processed rice pursuant to sections 380k and

1 380l of this Act shall be redeemed by the Commodity Credit
2 Corporation at the value thereof.

3 "INVENTORY ADJUSTMENT PAYMENTS

4 "SEC. 380h. To facilitate the transition from the price
5 support program currently in effect to the program provided
6 for in this subtitle, the Commodity Credit Corporation shall
7 make inventory adjustment payments to all persons owning
8 rough rice located in the continental United States as of
9 July 31, 1956, in amounts equal to 35 per centum of the
10 parity price of rice as of August 1, 1956, multiplied by the
11 quantities of such rough rice: Provided, however, That such
12 payments shall not be made with respect to rice of the 1956
13 crop, imported rice, or rice acquired from Commodity Credit
14 Corporation. There are hereby authorized to be appro-
15 priated such sums as may be necessary to make payment
16 to Commodity Credit Corporation for expenditures pursuant
17 to this section.

18 "RICE SET-ASIDE

19 "SEC. 380i. All rough and processed rice in the in-
20 ventories of Commodity Credit Corporation as of sixty days
21 after the beginning of the 1956 marketing year, not exceed-
22 ing twenty million hundredweight of rough rice or its equiv-
23 alent in processed rice may be transferred to and be made
24 a part of the commodity set-aside of rice established pursuant
25 to section 101 of the Agricultural Act of 1954.

1 “EXEMPTIONS

2 “SEC. 380j. *The provisions of this subtitle shall not*
3 *apply to nonirrigated rice produced on any farm on which*
4 *the acreage planted to nonirrigated rice does not exceed*
5 *three acres or to rice produced in Puerto Rico, or Hawaii.*

6 “PROCESSING RESTRICTIONS

7 “SEC. 380k. (a) *Each person who on or after August*
8 *1, 1956, engages in the processing of rough rice in the*
9 *United States shall, upon processing any quantity of rough*
10 *rice, acquire certificates issued under section 380g of this*
11 *Act in an amount sufficient to cover such quantity of rough*
12 *rice.*

13 “(b) *The requirements of subsection (a) of this section*
14 *shall not be applicable to the processing in Puerto Rico or*
15 *Hawaii of rough rice grown in Puerto Rico or Hawaii,*
16 *respectively.*

17 “(c) *Upon the exportation from the United States to*
18 *any country other than Cuba of any processed rice with re-*
19 *spect to which certificates were acquired in accordance with*
20 *the requirements of subsection (a) of this section or section*
21 *380l, the Commodity Credit Corporation shall pay to the*
22 *exporter an amount equal to the value of the certificates*
23 *for the rough rice equivalent of such processed rice.*

24 “IMPORT RESTRICTIONS

25 “SEC. 380l. *Each person who, on or after August 1,*

1 1956, imports processed rice into the United States shall
2 acquire certificates issued under section 380g of this Act
3 covering the rough rice equivalent of such processed rice.

4 "REGULATIONS

5 "SEC. 380m. The Secretary shall prescribe regulations
6 governing the issuance, redemption, acquisition, use, transfer,
7 and disposition of certificates hereunder.

8 "CIVIL PENALTIES

9 "SEC. 380n. Any person who violates or attempts to
10 violate, or who participates or aids in the violation of, any
11 of the provisions of sections 380k or 380l of this Act, or
12 regulations prescribed by the Secretary for the enforcement
13 of such provisions, shall forfeit to the United States a sum
14 equal to three times the market value, at the time of the
15 commission of such act, of the product involved in such
16 violation. Such forfeiture shall be recoverable in a civil suit
17 brought in the name of the United States.

18 "REPORTS AND RECORDS

19 "SEC. 380o. (a) The provisions of section 373 of this
20 Act shall apply to all persons, except rice producers, who
21 are subject to the provisions of this subtitle, except that any
22 such person failing to make any report or keep any record
23 as required by this section or making any false report or
24 record shall be deemed guilty of a misdemeanor and upon

1 conviction thereof shall be subject to a fine of not more than
 2 \$2,000 for each such violation.

3 “(b) The provisions of section 373 (b) of the Act shall
 4 apply to all rice farmers who are subject to the provisions
 5 of this subtitle.

6 “DEFINITIONS

7 “SEC. 380p. For the purposes of this subtitle—

8 “(a) ‘cooperator’ shall have the same meaning as
 9 under the Agricultural Act of 1949, as amended.

10 “(b) ‘processing of rough rice’ means subjecting
 11 rough rice for the first time to any process which re-
 12 moves the husk or hull from the rice and results in the
 13 production of processed rice.

14 “(c) ‘processed rice’ means any rice from which
 15 the husk or hull has been removed and includes, but is
 16 not limited to—

17 “(1) whole grain rice,

18 “(2) second head milled rice,

19 “(3) screenings milled rice,

20 “(4) brewers milled rice,

21 “(5) undermilled rice or unpolished rice,

22 “(6) brown rice,

23 “(7) converted rice, malekized rice or par-
 24 boiled rice, and

25 “(8) vitamized rice or enriched rice.

1 “(d) ‘United States’ means the several States, the
2 Territories of Hawaii and Alaska, the District of Colum-
3 bia, and the Commonwealth of Puerto Rico.

4 “(e) ‘exporter’ means the consignor named in the
5 bill of lading under which the processed rice is exported:
6 Provided, however, That any other person may be con-
7 sidered to be the exporter if the consignor named in the bill
8 of lading waives his claim in favor of such other person.

9 “(f) ‘rough rice equivalent’ means the quantity of rough
10 rice normally used (as determined by the Secretary of Agri-
11 culture) in the production of a particular quantity of proc-
12 essed rice, but shall not be more than one hundred pounds of
13 rough rice for each sixty-eight pounds of processed rice.

14 “(g) ‘import’ means to enter, or withdraw from ware-
15 house, for consumption.”

16 TITLE VI—FORESTRY PROVISIONS

17 ASSISTANCE TO STATES FOR TREE PLANTING AND 18 REFORESTATION

19 SEC. 601. (a) The Congress hereby finds and declares
20 that building up and maintaining a level of timber growing
21 stocks adequate to meet the Nation’s domestic needs for a
22 dependable future supply of industrial wood is essential to
23 the public welfare and security; that utilizing the more than
24 fifty million acres of idle non-Federal and Federal lands for
25 this purpose would not only add to the economic strength

1 of the Nation, but also bring increased public benefits from
2 other values associated with forest cover; and that it is
3 the policy of the Congress that the Secretary of Agriculture
4 in order to encourage, promote, and assure fully adequate
5 future resources of readily available timber should assist the
6 States in undertaking needed programs of tree planting.

7 (b) Any State forester or equivalent State official
8 may submit to the Secretary of Agriculture a plan for forest
9 land tree planting and reforestation for the purpose of effect-
10 ing the policy hereinbefore stated.

11 (c) When the Secretary of Agriculture has approved
12 the plan, he is hereby authorized and directed to assist the
13 State in carrying out such plan, which assistance may in-
14 clude giving of advice and technical assistance and fur-
15 nishing financial contributions: Provided, That, for the
16 non-Federal forest land tree planting and reforestation, the
17 financial contribution expended by the Federal Govern-
18 ment during any fiscal year to assist the State to carry out
19 the plan shall not exceed the amount expended by the State
20 for the same purposes during the same fiscal year, and
21 the Secretary of Agriculture is authorized to make financial
22 contributions on the certificate of the State official in charge
23 of the administration of the plan as to the amount of expend-
24 itures made by the State.

25 (d) In any plan that coordinates forest lands under the

1 jurisdiction of any Federal agency other than the Department
2 of Agriculture, the Secretary of Agriculture shall obtain
3 the cooperation and assistance of the Federal agency having
4 jurisdiction and the appropriate State forester in the approval
5 and carrying out of the plan.

6 (e) The Secretary of Agriculture may prescribe such
7 rules and regulations as may be appropriate to carry out the
8 purposes of this section.

9 (f) There are hereby authorized to be appropriated such
10 sums as may be necessary to carry out the objects of this
11 section, such sums to remain available until expended.

12 FOREST PRODUCTS; PRICE REPORTING; RESEARCH

13 SEC. 602. (a) For the purposes of improving the man-
14 agement and use of forest resources and in order to provide
15 farmers and other owners of small forest properties with
16 current information on markets and prices and to aid them
17 in more efficiently and profitably marketing forest products,
18 the Secretary of Agriculture is hereby authorized and di-
19 rected to establish a price reporting service for basic forest
20 products, including but not limited to standing timber and
21 cut forest products such as sawlogs and pulpwood.

22 (b) The price reports made by the Secretary under
23 subsection (a) shall be as to such species, grades, sizes,
24 and other detail, and shall be made at such intervals, but at
25 least quarterly, as he deems appropriate. Such reports shall

1 be by State or forest regions or by such other areas as the
2 Secretary considers advisable, and may, in his discretion,
3 be made as to one or more areas in advance of other areas.

4 (c) In connection with the gathering of price informa-
5 tion and the dissemination thereof, the Secretary is authorized
6 to cooperate with the State foresters or other appropriate
7 State officials or agencies, as well as with private agencies,
8 and under such conditions and terms as he may deem
9 appropriate.

10 (d) The Secretary of Agriculture shall make a study of
11 price trends and relationships for basic forest products such
12 as sawlogs and pulpwood and within two years from the date
13 of enactment of this Act shall submit a report thereon to the
14 Congress.

15 (e) In the conduct of research activities under the Act
16 of May 22, 1928 (45 Stat. 699), and the Act of August 14,
17 1946, title II (60 Stat. 1087), the Secretary of Agriculture
18 is directed to conduct and stimulate research and investiga-
19 tions aimed at developing and demonstrating standards of
20 quality, collecting and disseminating useful market informa-
21 tion and developing methods for increasing the efficiency of
22 the marketing and distribution processes for forest products as
23 a means of increasing returns to farmers and other owners of
24 forest properties.

25 (f) The Secretary of Agriculture is authorized to issue

1 *such regulations as he deems appropriate in carrying out the*
 2 *provisions of this section.*

3 *(g) There are hereby authorized to be appropriated for*
 4 *the purposes of this section such sums as may be necessary.*

5 *TITLE VII—MISCELLANEOUS*

6 *SURVEY OF EXISTING SYSTEM OF GRADING MEAT*

7 *SEC. 701. The Secretary of Agriculture is authorized and*
 8 *directed to make a full and complete study of existing systems*
 9 *of grading beef, veal, lamb, and mutton, with a view to*
 10 *determining whether such systems serve the best interests of*
 11 *both consumers, processors, and producers. In making such*
 12 *study, the Secretary shall give due consideration to problems*
 13 *of consumers, processors, and producers in the various*
 14 *regions of the country, and in the course of such study he*
 15 *shall use the services and facilities of land grant colleges*
 16 *wherever practicable. The Secretary shall report to the*
 17 *Congress at the earliest practicable date the results of his*
 18 *study together with such recommendations as he may deem*
 19 *desirable for improvement in such systems.*

*Amend the title so as to read: "An Act to provide an
 improved farm program."*

Passed the House of Representatives May 5, 1955.

Attest: RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments March 19, 1956.

Attest: FELTON M. JOHNSTON,
Secretary.

AN ACT

To amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk; and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1956

Ordered to be printed with the amendments of the
Senate

SUMMARY OF H.R. 12
As passed by the Senate March 19, 1956

(Prepared by the Office of the General Counsel
United States Department of Agriculture)

TITLE I--PRICE SUPPORT

Domestic Parity Plan for Wheat

Section 101 gives the Secretary discretionary authority to place into effect a domestic parity plan for wheat for the 1957 and subsequent crops if more than two-thirds of the farmers voting in a referendum favor such plan in lieu of marketing quotas. Under such plan, a domestic food quota for wheat would be determined and proclaimed by the Secretary for each marketing year. Such domestic food quota would be the number of bushels of wheat which the Secretary determines would be consumed as human food in the continental United States during such marketing year. The domestic food quota for wheat, less small reserves at national and state levels, would be apportioned to States and counties on the basis of the total production of wheat during the preceding 10 years with adjustments for adverse weather and trends in production. The one percent national reserve would be placed in those counties needing additional acreage to meet the needs of new areas coming into wheat production. The county domestic food quota for wheat would be apportioned among the farms within the county on which wheat was seeded for the production of wheat during any one of the 10 preceding calendar years, on the basis of the normal yield of the acreage planted to wheat during such 10-year period. The 3 percent State reserve would be used to adjust farm quotas which appeared inequitable on the basis of tillable acres, crop rotation practices, type of soil and topography.

Marketing certificates would be issued to cooperators in an amount equal to the domestic food quota established for the farm. The value of the certificates would be equal to the amount by which the estimated parity price exceeds the estimated farm price for wheat for the marketing year. The Commodity Credit Corporation would be authorized to buy and sell marketing certificates and to operate pools for this purpose.

Each person engaged in the processing of wheat into food products, or importing food products made from wheat, would be required to acquire certificates to cover the quantity of wheat involved.

Upon the exportation of any food product containing wheat with respect to which certificates have been acquired, the exporter would receive an amount equal to the value of the certificates for the quantity of wheat exported.

Any unused certificates would be required to be redeemed by the Secretary at their value.

The Secretary could increase or suspend the domestic food quota in the event of a national emergency or of a material increase in the demand for wheat.

Whenever a domestic parity plan for wheat is in effect, price support will be available to cooperators through loans, purchases, or other operations at such level as the Secretary determines after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement relating to wheat to which the United States is a party, (4) foreign trade policies of free wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

The producer could be required to comply with acreage allotments, production goals, and marketing practices (excluding marketing quotas), as a condition of eligibility for price support and marketing certificates.

Cottonseed and Soybeans

Section 102 provides that whenever the price of either cottonseed or soybeans is supported, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market.

Standard! Grade for Cotton

Section 103 repeals the special provision of law designating Middling 7/8-inch cotton as the standard grade for parity calculations and price support and would result in the average grade and quality being utilized for such purposes as in the case of other commodities.

Dairy Products

Section 104 provides for price support for whole milk, butterfat, and the products of such commodities at not less than 80 per centum nor more than 90 per centum of parity, and provides for using a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive. The basis provided in the bill for computing the parity equivalent for manufacturing milk would result in computing the parity equivalent of manufactured milk at 88 per centum of the parity price for all milk sold wholesale by farmers, instead of computing it at 83.3 per centum of parity price for all milk sold as the Secretary is now doing as a result of using the most recent ten-year period.

School Milk and Brucellosis Programs

Section 105 extends the special school milk program for two additional years, provides increased funds for the program, and expands the program. The funds authorized are as follows: \$60,000,000 for the fiscal year 1956, and \$75,000,000 for each of the fiscal years 1957 and 1958. The program is expanded to include nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar non-profit institutions, devoted to the care and training of underprivileged children on a public welfare or charitable basis.

This section also extends the brucellosis eradication program for two additional years and provides increased funds for that program. The funds authorized are as follows: \$17,000,000 for the fiscal year 1956, and \$20,000,000 for each of the fiscal years 1957 and 1958.

This section also extends for two additional years the authority of the Commodity Credit Corporation to donate dairy products to Veterans' Hospitals and the Armed Forces.

Parity Formula

Section 106 requires the Secretary in the case of the basic commodities to use the old parity price computed on the 1910-1914 base period, or the modernized parity, whichever is higher. This section also directs the Secretary to make a thorough study of possible methods of improving the parity formula and report thereon within six months after enactment of the Act.

Limitation on Price Support

Section 107 places a limit of \$100,000 on the amount of price support which any person may receive for any year.

Processor Certification

Section 108 requires that whenever any price support or surplus removal operation for any agricultural commodity is carried out through purchases from processors, the Secretary shall obtain from the processor a certification that the price received by the producer for the agricultural commodity involved was not less than the support price, or in the absence of a support price, a fair price announced by the Secretary.

Effective Date

Section 109 makes Title I of the bill effective with the 1956 crop.

TITLE II--SOIL BANK ACT

Short Title

Section 201 provides that Title II of the bill may be cited as the "Soil Bank Act."

Declaration of Policy

Section 202 establishes a policy of Congress that the Secretary of Agriculture shall carry out a Soil Bank Program.

Acreage Reserve Program

Section 203 directs the Secretary to compensate producers for voluntarily reducing their 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn, peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54 and 55, and Ohio cigar filler tobacco types 42, 43 and 44. To be eligible for such compensation, the producer is required to reduce his acreage of the commodity below his farm acreage allotment, or in the case of corn, below his farm acreage allotment or base acreage, whichever is in effect. A base acreage, on the basis of a total base acreage of 51,000,000 acres, would be established for producers in the commercial corn area for the purpose of participating in the acreage reserve program for 1956, and for subsequent years in which the acreage reserve program is in effect if producers in a referendum vote in favor of discontinuing acreage allotments on corn and price support on corn at such level as will assist producers in marketing their corn in the normal channels of trade but not encourage the uneconomic production of corn.

Under the acreage reserve program, the producer is required to specifically designate his reserve acreage and not to harvest any crop from or graze the reserve acreage unless the Secretary after certification by the Governor of the State determines that it is necessary to permit grazing to alleviate hardship caused by severe drought, flood, or other natural disaster. The Secretary is directed to provide adequate safeguards to protect the interests of tenants and sharecroppers including provision for sharing on a fair and equitable basis in the certificates issued for participation in the program, the tenant's or sharecropper's share on acreage previously cultivated by him not to be less than his share of the crop under his agreement with the landlord. The producer is required to enter into a contract with the Secretary covering the producer's obligations under the program which shall provide that if the producer violates the contract and

the violation is of such a substantial nature as to warrant termination of the contract he shall forfeit all rights to further payments under the contract, refund all payments theretofore received, and forfeit such price support benefits as the Secretary may determine. If the violation is of such nature as not to warrant termination of the contract, the producer is required to accept such payment adjustments and forfeit such price support benefits as the Secretary may determine.

Section 204 directs the Secretary to establish a national reserve acreage goal for each of the crops and to establish the limit within which individual farms may participate in a manner which is reasonably calculated to achieve the national acreage goal and give producers a fair and equitable opportunity to participate.

Section 205 provides that compensation of producers for participating in the acreage reserve program shall be made through the issuance of certificates redeemable by Commodity Credit Corporation in cash or in the commodity at the option of the producer in the case of certificates issued with respect to grains. If the certificate is redeemed in grains, such grains shall be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable, encourage acceptance of payment in grains in lieu of cash. Redemptions of certificates in the commodity shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced on the acreage withheld from production.

The amount of compensation to producers would be established by the Secretary at such rates as would provide producers with a fair and reasonable return for the acreage withdrawn from production and with a sufficient incentive to achieve the reserve acreage goal. The rates of payment are to be such as to encourage producers to participate in the program for more than one year.

The total compensation which may be paid producers for participating in the acreage reserve program with respect to any year's crops is limited to \$750,000,000.

The compensation paid any producer with respect to land in any one State in any year is limited to \$25,000.

Section 206 provides that participation in the acreage reserve program by a producer shall not reduce his future acreage allotments and quotas.

Conservation Reserve Program

Section 207 sets forth terms and conditions required to be covered in the contracts entered into between the Secretary and producers under the conservation reserve program. The minimum contract period would be three years.

Under the contract the producer would agree:

(1) To establish and maintain for the contract period a specifically designated acreage on the farm in protective vegetative cover (such as grass and trees), water storage facilities, or other soil, water, wildlife, or forest conserving uses, the acreage so designated to be land regularly used for production of crops, including crops which do not require annual tillage such as tame hay, alfalfa, and clovers.

(2) To devote to conserving crops or uses or allow to remain idle for the contract period an acreage equal to the normal acreage on the farm devoted to such uses or allowed to remain idle.

(3) Not to harvest any crop from the land established in protective cover excepting timber or other products which do not increase supplies of feed for domestic animals.

(4) Not to pasture the acreage in protective cover prior to January 1, 1959, or such later date as prescribed in the contract, except upon a determination by the Secretary after certification by the Governor of the State of a need for grazing to alleviate damage, hardship or disaster caused by severe flood, drought, or other natural disaster; and not to pasture such acreage for the remainder of the contract period except in accordance with sound pasture management.

(5) Not to adopt any practice or use of the land specified in the contract as a practice or use tending to defeat the purposes of the contract.

(6) In the event of a substantial violation of the contract at any stage of the contract period during which the producer has control of the farm sufficient to warrant termination of the contract, to forfeit further payment and grants and refund payments and grants received during the crop year in which the violation occurred, and to forfeit or refund such price support benefits during the crop year in which the violation occurred, as determined by the Secretary to be appropriate; and in the event of a violation not sufficient to require termination, to accept such payment adjustments, and forfeit such price support benefits, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary deems desirable and includes in the contract, including provisions for the control of noxious weeds.

The Secretary would agree under the contract

(1) to bear such part of the cost (including labor) of establishing and maintaining the protective cover or other authorized use on the designated acreage as he determined to be necessary to effectuate the purposes of the Act, not to exceed a maximum for the county or area where the farm was located; and

(2) to make an annual payment for the term of the contract to the producer who fulfills the provisions of the contract. This payment would represent a fair and reasonable return on the land in protective cover or other authorized use, taking into consideration the value of the land for producing commodities customarily grown on such kind of land in the area, the prevailing rates of cash rentals in the areas, necessary incentive to obtain contracts, and other appropriate factors. No annual payment to any person with respect to land in any one State could exceed \$7,500.

Advertising and bid procedures could be used in determining the lands in any area to be covered by contracts.

The Secretary could not terminate a contract unless he determined that the nature of the violation was such as to defeat or substantially impair the purposes of the contract. Before termination the Secretary would have to give written notice to the producer who would have the opportunity within 30 days after the mailing or serving of the notice to show cause why the contract should not be terminated. A hearing, formal or informal as determined under regulations issued by the Secretary, would be held to determine whether to terminate the contract. If termination was determined, the producer would receive written notice thereof and would have 90 days after the mailing or service of the notice to appeal to the appropriate United States district court for a de novo determination of the facts in the case and judicial relief with respect thereto. The Secretary's determination on termination would become final and conclusive if the farmer failed to avail himself of the opportunity for a hearing within the 30-day period or for appeal to the court within the 90-day period.

Section 203 provides for the annual national conservation reserve goal and its distribution among States and major crop production regions. The national goal would be proclaimed each year not later than February 1. Such goal would represent that percentage which the Secretary determines would be practicable to cover by contracts during such year of the number of acres by which (1) the acreage needed for the production of agricultural commodities during the preceding year, plus any acreage

then in the acreage or conservation reserve program or retired from production because of acreage allotment or marketing quota programs, exceeds (2) the acreage needed during the year for which the determination is made for the production of commodities for domestic and export use and for adequate carry-over allowances. The 1956 national goal would be determined as soon as practicable after the enactment of the bill.

The national goal would be distributed among States and major crop production regions with due regard to the need for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate; diversion of acreage under acreage allotment and marketing quota programs; and the need to assume adequate production of agricultural commodities and crops not in surplus and to discourage the production of those in surplus.

The Secretary would be required to report annually to Congress the scope of the program for that year and the basis for participation in such program in the various States and major crop production regions.

Section 209 provides that contracts may be entered into during the five years 1956 through 1960.

The maximum contract period would be 10 years except that contracts for tree cover could extend for 15 years.

The Secretary could not enter into contracts calling for payments to producers (including the cost of materials and services furnished to producers) in excess of \$450,000,000 in any calendar year.

Section 210 authorizes the termination of any contract by mutual agreement with the producer if the Secretary determined that such termination would be in the public interest. Provision is also made for the modification of contracts previously entered into as the Secretary determines to be desirable to facilitate the practical administration of the conservation reserve program.

Section 211 contains authority to make conservation materials and services available to farmers under the conservation reserve program. The Secretary could produce as well as purchase such materials and services under the conservation reserve program. The Secretary would be authorized to reimburse any Federal, State, or local government agency for materials or services furnished by such agency and to pay expenses necessary in making such materials and services available, including costs incident to the delivery, application, or installation of the materials and services.

Authority would be provided to use regular dealers in the furnishing of conservation materials and services and to make payments to such dealers in advance of determination of performance by producers. If the Secretary determined it to be necessary to protect the interests of producers and the Government, fair prices for furnishing such materials and services could be established.

Section 212 provides that the acreage of cropland on any farm would not be decreased during the term of any contract for the purposes of determining acreage allotments and marketing quotas by reason of the establishment of protective cover or other use of land covered by contract under the conservation reserve program. The acreage determined to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out a contract entered into under the conservation reserve program would be considered to have been devoted to the production of the commodity for the purposes of determining future State, county and farm acreage allotments.

Section 213 directs the Secretary to take adequate safeguards to protect the interests of the tenants and sharecroppers, including such provision as may be necessary to prevent them from being forced off the farm.

Section 214 provides that the conservation reserve program shall be applicable to the continental United States, and may be extended, if the Secretary determines it to be in the national interest, to Alaska, Hawaii, Puerto Rico, or the Virgin Islands.

General Provisions Applicable to Both Programs

Section 215 requires as a condition of eligibility for payment under either the acreage reserve or conservation reserve program that the producer comply with all farm acreage allotments established under the Agricultural Adjustment Act of 1938, except that in the case of wheat, the wheat acreage must not exceed the larger of the farm wheat acreage allotment or fifteen acres, and in the case of corn, the corn acreage must not exceed the base acreage.

Section 216 would prohibit the reapportionment or allotment to any other farm of any acreage diverted from the production of any commodity by reason of participation in either the acreage reserve or conservation reserve program.

Section 217 provides that payment of compensation authorized under the acreage reserve or conservation reserve program could be made upon the basis of the claimant's certification that he has complied with all requirements of the program.

Section 218 directs the Secretary in administering the programs in the continental United States to use the community, county, and State committees established under the Soil Conservation and Domestic Allotment Act.

Section 219 directs the Secretary to consult with soil conservation districts, State foresters, land-grant colleges and other appropriate State agencies in formulating at the State and county levels the conservation aspects of the programs. He would be required also to utilize, so far as practicable, the technical resources of the Soil Conservation Service, the Forest Service, land-grant colleges, State foresters, and other appropriate technical services to assure coordination of conservation activities and a solid technical foundation for the program.

Section 220 would require the Secretary to utilize as fully as practicable land use capability data in carrying out the acreage reserve and conservation reserve programs; and to carry forward to completion as rapidly as possible the basic land inventory of the Nation.

Section 221 authorizes the Secretary to utilize the funds of the Commodity Credit Corporation to finance the Soil Bank program until February 1, 1957. Appropriations would be necessary to carry out the program after February 1, 1957.

The Secretary would be authorized to transfer funds to agencies of the Federal or State governments who are requested to cooperate or assist in carrying out the program and for technical assistance in connection therewith. Such payments could be made in advance of the time that the agency renders such assistance.

Section 222 provides that the facts constituting the basis for any payment or compensation under the Soil Bank program, or the amount thereof, shall be final and conclusive. It also provides that the Secretary may provide to whom payments or compensation may be made in case of the death, incompetency, or disappearance of any producer entitled thereto, or in case of succession in interest of any producer so entitled.

Section 223 authorizes the Secretary to deny any producer all or any part of the benefits under the Soil Bank program if the Secretary determines that (1) the producer has displaced any tenant or sharecropper, or reduced the acreage of any commodity farmed by any tenant or sharecropper, on any farm owned or controlled by such producer, (2) such displacement or reduction was made in contemplation of, or on account of participation by such producer in either the acreage reserve or conservation reserve program, and (3) such displacement or consent was not consented to by the tenant or sharecropper.

Section 224 authorizes the Secretary to prescribe such regulations as necessary to carry out the provisions of the program.

Section 225 prohibits any agency of the United States from executing, renewing, or extending a lease beyond its earliest termination or cancellation date which would permit the lessee to produce on the leased land any agricultural commodity (other than livestock and livestock products) determined by the Secretary to be in surplus supply; but the section would not apply to lands leased to persons from whom acquired by condemnation, under threat of condemnation, or to lands in wildlife refuges if the President determines that application of the section would interfere with the effective administration of such wildlife refuges, or to lands acquired adjacent to flood-control reservoirs.

Section 226 provides that beginning with the 1957 crops, the Secretary shall require as a condition of eligibility for price support for any commodity that the producer devote a portion of his cropland to either the acreage reserve program or the conservation program equivalent to a percentage determined by the Secretary, not in excess of 15 percent, of his cropland which is being devoted to price-supported commodities. The foregoing condition of eligibility would not apply (1) to tung nuts; (2) to any crop in any year in which marketing quotas are in effect as a result of a referendum conducted prior to the enactment of the bill; or (3) to any farm with 15 acres or less devoted to price-supported commodities.

This section also provides that, except as the Secretary may otherwise provide by regulation, no producer shall be eligible for a soil bank payment if the acreage of cropland devoted to price-supported commodities other than tung nuts on any farm controlled by such producer is increased to an acreage greater than the average devoted to such crops in the immediately preceding 5 years.

Section 227 would authorize the Secretary to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE III--SURPLUS DISPOSAL

Set-Aside

Section 301 adds 250 million bushels of corn to the set-aside established pursuant to section 101 of the Agricultural Act of 1954 and increases the quantities of cotton and wheat in the set-aside to 7,500,000 - 8,000,000 bales of cotton and 750,000,000 - 800,000,000 bushels of wheat.

Program of Orderly Liquidation

Section 302 requires the Secretary to submit to Congress within 60 days after the enactment of the Act a detailed program for the disposition of all stocks of agricultural commodities held by CCC and to report annually thereafter on operations undertaken to dispose of such stocks.

Reestablishment of Historic Share of World Cotton Market

Section 303 directs Commodity Credit Corporation to use its existing powers and authorities to reestablish and maintain the fair historical share of the world market for U. S. cotton. The section also provides that cotton made available by CCC under Section 102 of the Agricultural Trade Development and Assistance Act of 1954 shall be sold at competitive world prices.

Extra Long Staple Cotton

Section 304 would include cotton having a staple length of 1-11/16 inches or longer within the import quota under section 22 of the Agricultural Adjustment Act for cotton having a staple length of 1-1/8 inches and longer, and (2) directs the Secretary and the Commodity Credit Corporation to use their existing powers to encourage the exportation of a quantity of extra long staple cotton equal to the quantity which was acquired and imported under the Strategic and Critical Materials Stock Piling Act.

Section 32 Funds Supplemented

Section 305 authorizes an annual appropriation of 500 million dollars, free of the existing 25% limitation on the expenditure of funds with respect to any one commodity, to enable the Secretary of Agriculture to further carry out the provisions of Section 32.

Transfer of Barter Materials to Supplemental Stockpile

Section 306 provides for the transfer to the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 of materials acquired by CCC under the barter program unless such materials were acquired for the national stockpile or were acquired for other purposes, and authorizes appropriations to reimburse CCC for the value of any materials so transferred. This section also provides that strategic materials acquired by CCC as a result of barter may be imported free of duty as in the case of strategic materials imported for the national stockpile.

Surplus Disposal Administrator

Section 307 authorizes the Secretary of Agriculture to appoint an Agricultural Surplus Disposal Administrator at a salary rate of not exceeding \$15,000 per annum.

Payment of Ocean Freight on Commodities Donated

Section 308 authorizes the payment from funds available under Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, of ocean-freight charges on commodities delivered by the Commodity Credit Corporation under Title II and under Section 416 of the Agricultural Act of 1949, as amended, upon a determination of the President that such payment is necessary to accomplish the purposes of the legislation. The limitation on expenditures under Title II is increased from \$300,000,000 to \$500,000,000.

Commission on Increased Industrial Use of Agricultural Commodities

Section 309 establishes a commission of five members, to be appointed by the President, whose duty shall be to prepare and present to the Congress, not later than June 15, 1957, recommendations for increased industrial use of agricultural products not needed for human or animal consumption.

Donation to Federal Penal Institutions

Section 310 authorizes Commodity Credit Corporation to donate commodities acquired through price support operations to Federal penal and correctional institutions, except that food products may not be given institutions in which food service is provided for inmates on a fee, contract, or concession basis.

Commodities Produced on New Irrigation, Drainage, and Flood Control
Projects Not Eligible for Federal Farm Benefits

Section 311 provides that for a period of 3 years after enactment of the Act no crop loan or Federal farm payment shall be made with respect to an agricultural commodity determined by the Secretary of Agriculture to be in surplus supply, grown on any newly irrigated or drained lands within a Federal project hereafter authorized, unless such lands had been used for the production of the commodity prior to the enactment of the Act. Surplus crops grown on lands reclaimed by flood-control projects hereafter authorized, and the lands so reclaimed, will be ineligible for any soil-bank or price-support benefits during such three-year period.

Processing on Donated Commodities

Section 312 amends Section 416 of the Agricultural Act of 1949, as amended, to authorize the Commodity Credit Corporation in the case of food commodities donated thereunder to pay costs of processing such food commodities into a form suitable for home or institutional use.

TITLE IV--MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment

Section 401 extends to the 1956 and 1957 crops of wheat the provisions of Section 334(f) of the Agricultural Adjustment Act of 1938, as amended, whereby wheat producers who did not plant all their 1955 wheat allotments could release the unused portion of the allotment. The amount released would be deducted from the allotment for the farm from which released, and would be reapportioned by the county committee to other farms in the same county. If not needed in the county, the county committee could surrender the acreage to the State committee for the purposes of establishing "new" farm allotments. In establishing future allotments, acreages so released and reapportioned are credited to the releasing farms rather than to the farms to which surrendered. Provision for permanent release of allotments is made.

Exemption from Marketing Penalties of Wheat Producers Who Use All Their Wheat on the Farm

Section 402 exempts from wheat marketing quotas, farms using their entire wheat crop on the farm for food, feed, or seed.

Cotton Acreage Allotments for 1957 and 1958

Section 403 provides that the national marketing quotas for cotton for 1957 and 1958 shall not be less than the number of bales required to provide national acreage allotments for 1957 and 1958 equal to the 1956 national acreage allotments.

Small Farm Allotments for Cotton

Section 404 would, for 1957 and 1958, amend section 344 of the Agricultural Adjustment Act of 1938, as amended, to provide 100,000 acres (1,000 acres of which is earmarked for the State of Nevada) to be used to assist in establishing in all counties minimum farm allotments of four acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller. The 100,000 acres would be in addition to the national acreage allotment.

Minimum State Acreage Allotments for 1956 Rice Crop

Section 405 would amend section 353 of the Agricultural Adjustment Act of 1938, as amended, to provide minimum State rice acreage allotments for 1956 equal to 85 percent of the final allotment established for 1955. Any acreage apportioned to farms in the State from the national reserve acreage would be included in determining the minimum allotment. The final allotment for 1955 would include the State allotment originally determined plus the increased acreages allotted in the State through legislation enacted after State allotments were originally determined.

In States having county allotments the increase in State allotments would be apportioned among counties on the same basis as the State allotment had theretofore been apportioned among counties, but without regard to adjustments for trends in acreage.

Peanut Marketing Penalties

Section 406 amends 359(a) of the Agricultural Adjustment Act of 1938, effective beginning with the 1956 crop, to increase the marketing penalty applicable to peanuts from 50 to 75 percent of the peanut support price for the marketing year.

Section 407 amends 359 of the Agricultural Adjustment Act of 1938 to provide (1) for interest at the rate of six percent per annum on any peanut marketing penalty not paid when due by the person liable for the payment or collection of the penalty, and (2) for a lien in favor of the United States on the crop of peanuts with respect to which a penalty is incurred and on the subsequent crops of peanuts in which the person liable for payment of the penalty has an interest until the amount of marketing penalty on peanuts is paid.

Increased Acreage Allotments for Virginia and Valencia Type Peanuts

Section 408 provides that in any State in which the acreage devoted to the production of Virginia or Valencia type peanuts for 1956 or any subsequent year is less than ten thousand acres, the Secretary shall increase the acreage allotment of such State by 50 per centum, if processors within such State file a written statement with the Secretary of their intention to purchase the peanuts produced on such additional acreage at not less than parity.

Preservation of Unused Acreage Allotments

Section 409 would provide that with respect to the 1956 and subsequent crops of any commodity for which acreage allotments under the Agricultural Adjustment Act of 1938, as amended, were in effect, the entire acreage allotment for the farm would be considered for purposes of future farm acreage allotments as having been planted to the commodity in such year if the owner or operator of the farm notified the county committee prior to the 60th day preceding the beginning of the marketing year of his desire to preserve the farm acreage allotment of the commodity. This provision would not be applicable to any farm on which no acreage of the commodity was planted for four successive years or in any case in which the amount of the commodity of any previous crop stored to postpone or avoid payment of penalty had been reduced because the allotment was not fully planted. No other farm would be permitted to use the acreage of which notice was given under the section.

Participation in Soil Bank Made Condition of Eligibility for Price Support on Corn

Section 410 provides that for 1956 the Secretary shall require as a condition of eligibility for price support on corn that the producer, in lieu of complying with a corn acreage allotment, shall be required to devote an acreage of his cropland to either the acreage reserve program or the conservation reserve program, equal to 15 per centum of his base acreage for corn.

Corn Referendum

Under Section 410 the Secretary would be required to conduct a referendum of producers in the commercial corn producing area to determine whether for 1957 and subsequent crops of corn, in lieu of acreage allotments, and price support as provided in section 101 of the Agricultural Act of 1949, acreage allotments would be discontinued and price support would be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

Grain Sorghums, Barley, Oats, and Rye

Section 410 also provides that the price of grain sorghums, barley, oats, and rye, in any area, shall be supported at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed value of such grains bear to the feed value of corn, except that the support price in any area for the 1956 crop of any such commodity shall not be lower than the support price already announced. As a condition of eligibility for price support, the producer shall be required to place into the acreage reserve or the conservation reserve a portion of the tillable acres of such commodities equivalent to 15 per centum of the average number of acres devoted to production of such commodities during the preceding 3 years, and to plant an acreage of such commodities not exceeding the average acreage planted to such commodities on the farm during the preceding 3 years. After 1956 the support level for such commodities would be 95 percent of the support level established for corn in the commercial area, with such adjustments on price-support levels for each such grain as determined by the feed equivalent that such grain bears to the feed value of corn.

TITLE V--RICE

Certificate Plan

Section 501 provides for a certificate plan for rice of the 1956 and 1957 crops. A primary market quota for rice is to be determined and proclaimed by the Secretary of Agriculture for each marketing year. This primary market quota is to be determined on the basis of the number of hundredweights of rough rice which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba during the marketing year, taking into consideration the historical consumption of United States rice in these markets and any expected increase in consumption. For 1956, the primary market quota is to be apportioned among the States on the basis of the 1955 production of rice in each State. For 1957, the primary market quota is to be apportioned among the States on the basis of the average yield per acre of rice in each State during 1955 and 1956, multiplied by the acreage allotment for the State. Each State quota is to be apportioned among farms in the State on the basis of the acreage allotment established for each farm, multiplied by the normal yield per acre for the farm.

Price support is required to be made available by Commodity Credit Corporation to cooperators through loans, purchases, or other operations on the 1956 crop of rice at 55 per centum of the parity price of rice as of the beginning of the marketing year. On the 1957 crop, the level of support is to be at such level as the Secretary of Agriculture determines will not discourage or prevent exportation of rice produced in the United States, but such level is not to be less than 50 per centum nor more than 90 per centum of the parity price.

Certificates would be issued by the Secretary of Agriculture to cooperators each marketing year for farms having primary market quotas. Such certificates would be issued for a quantity of rice equal to the primary market quota for the farm but not more than the normal yield for the acreage planted to rice on the farm. The value of each certificate will be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year and the level of price support for rice for such marketing year multiplied by the quantity of rice for which the certificate is issued. The landlord and his tenants or sharecroppers would share in the certificates in the same proportion as they share in the rice produced on the farm or the proceeds therefrom. Commodity Credit Corporation would be authorized to sell certificates to persons engaged in processing or importing rice. Commodity Credit Corporation would redeem at its value any certificate not used to cover the processing or importation of rice.

Beginning August 1, 1956, each person processing rough rice in the United States (excluding Puerto Rican or Hawaiian rice processed in Puerto Rico or Hawaii) would be required to acquire certificates in an amount sufficient to cover the quantity of rough rice processed. Each person importing processed rice into the United States on or after August 1, 1956, would also be required to acquire certificates covering the rough rice equivalent of such processed rice. Upon the exportation to any country other than Cuba of processed rice with respect to which certificates were acquired, Commodity Credit Corporation would pay the exporter an amount equal to the value of the certificates for the rough rice equivalent of the processed rice.

The provisions of this section would not be applicable to non-irrigated rice produced on any farm on which the acreage planted to non-irrigated rice does not exceed three acres or to rice grown in Puerto Rico or Hawaii.

In order to facilitate the transition to the certificate plan, inventory adjustment payments would be made to all persons owning rough rice located in the continental United States as of July 31, 1956, except that payments would not be made with respect to 1956-crop rice, imported rice, or rice acquired from Commodity Credit Corporation. Such payments would be in amounts equal to 35 per centum (the difference between 90 per centum and 55 per centum) of the parity price of rice as of August 1, 1956, multiplied by the quantities of such rough rice. An appropriation to reimburse Commodity Credit Corporation for such payments is authorized.

Transfer of Rice to Set-aside

Under Section 501, the Secretary is given discretionary authority to transfer to the commodity set-aside, established pursuant to Section 101 of the Agricultural Act of 1954, all rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the 1956 marketing year for rice, not exceeding 20,000,000 hundredweight of rough rice or its equivalent in processed rice.

TITLE VI--FORESTRY PROVISIONS

Assistance to States

Section 601 provides for assistance to States for tree planting and reforestation. The major provisions of this section would:

- (1) Establish a policy of Congress that the Secretary of Agriculture should assist the States in undertaking needed programs of tree planting.
- (2) Permit a State to draw up a plan of reforestation that would further this purpose and submit such plan to the Secretary of Agriculture for his consideration and approval.
- (3) When the Secretary has approved the plan, authorize and direct him to assist the State in carrying out the plan which assistance may include furnishing advice, technical assistance and financial contributions up to an amount equal to the State expenditure for the same purpose during the same fiscal year.
- (4) Require the Secretary to obtain cooperation and assistance of other Federal agencies and the appropriate State Foresters in the approval and carrying out of the plan when it includes forest lands under such other Federal agencies' jurisdiction.

Forest Products; Price Reporting; Research

Section 602 provides for price reporting and research with respect to forest products. This section would direct the Secretary to: (1) Establish a price reporting service for basic forest products such as standing timber, sawlogs, and pulpwood; cooperation with State and private agencies is authorized; (2) conduct and stimulate research aimed at developing the efficiency of marketing forest products; (3) study price trends and relationships for basic forest products and within two years report thereon to the Congress.

TITLE VII--MISCELLANEOUS

Survey of Existing System of Grading Meat

Section 701 directs the Secretary of Agriculture to make a study of the existing systems of grading meat, and to make a report thereon to the Congress, together with such recommendations for improving such systems as he may deem desirable.

Section	Subject	Position taken by Department
101	Domestic parity - wheat	<p>1. Oppose as written for the following reasons:</p> <ol style="list-style-type: none">1. Reduce income wheat growers seeding 15 acres or less to the extent that they produce wheat for sale, unless special provisions were made for this group.2. Domestic consumers would have to pay slightly higher prices for wheat products than they now pay.3. Assurance 100 percent of parity for portion of producer's crop might make it more difficult to bring about a realistic readjustment of wheat production.4. Several new, and rather difficult, administrative problems would have to be overcome; for example, the apportionment of domestic food quotas, fixing the value of certificates, and determining the loan level on the basis of rather complicated criteria.5. Corn and other feed-grain growers would object if the wheat loan level were set so low as to make wheat unduly competitive with feed grains. Furthermore, the program could result in the displacement of some feed grains.6. Both the present program and the Domestic Parity Program involve the export of wheat at a lower price than that paid for wheat used as domestic food and, in turn, a Government export subsidy, although the subsidy under the proposed plan would be greatly reduced. Whether either program involves export dumping is a matter of definition. On the other hand, the spread between the cost of wheat for domestic food uses and the export price would be greater under the Domestic Parity Plan than under the present program. To the extent that wheat export operations are continued under an International Wheat Agreement, the problems of international relations would be about the same under either program.7. Neither the current program nor the Domestic Parity Plan would result in any significant reduction in Government stocks in the absence of an acreage reserve. The operation of the Soil Bank Program could accomplish this.

Section	Subject	Position taken by Department
102	Cottonseed and soybeans price support so they can compete in market.	No position taken. Puts into effect policy we generally have been following.
103	Standard grade for cotton	<u>Favors</u> : Puts cotton on same basis as all other commodities and would result in more realistic support level and differentials.
104	Dairy price support	<u>Opposed</u> : <ol style="list-style-type: none"> 1. It would tend to encourage a further increase in milk production, discourage consumption and increase support purchases. 2. Freezing the computation of parity equivalent for manufacturing milk to the relationship in a short period that ended 7 years ago would be contrary to the modernized parity principal.
105	Special milk and brucellosis programs	Covered by special legislation.-Favored
106	Dual parity	<u>Opposed</u> : <ol style="list-style-type: none"> 1. The new parity formula was to bring and to keep the pattern of price relationships up to date. 2. Continuing the use of old or new parity, whichever is higher, for basic commodities is more generous treatment than for nonbasics. 3. Raises serious questions about the whole parity concept. <p>No objection to that part of the section which directs the Secretary to make a thorough study of possible methods of improving the parity formula. However, the submission of the report should be not later than January 31, 1957.</p>
107	Limit of \$100,000 on individual price support payments	Agree in principle to a limitation.
108	Certificate by processors of prices paid to producers	<u>Opposed</u> : 1. It would be unworkable because prices paid to individual producers vary substantially by seasons, location, quality, age, class, or variety, as well as hauling and other services performed. Also in many cases the commodities sold by farmers move through several hands before they are processed and sold to the Government. 2. It would deny the direct benefits of support to those farmers

Section	Subject	Position taken by Department
Title II	Soil Bank Act (favored in general - major changes from Department's proposal and Department's position with respect thereto are shown below)	
203	Following commodities added to Acreage Reserve Program:	
	Peanuts	Oppose because: (1) the Department has just increased the 1956 allotment for Virginia and Valencia peanuts by 40,000 acres, or 14½ percent, due to short supplies, (2) inadvisable to include peanuts in the acreage reserve because there are no great stocks overhanging the market and the balance between production and use depends largely upon yields, and (3) peanuts, unlike other basics, generally cannot be stored safely for a long period of time.
	Tobacco	Opposed, except no position on cigar binder types 51, 52, 54, and 55: (1) Congress increased acreage allotments recently on some types, (2) farm prices and income are at good levels.
	Tenant's or sharecropper's share of acreage reserve payment to be same as share in crop	Oppose: The acreage reserve program regulation need to protect the tenant and sharecroppers, but the Department needs more flexibility than this permits.
	Forfeiture of benefits for violation	Approved for consideration by Conferees
	51,000,000 acre base acreage for corn	No position taken

Section	Subject	Position taken by Department
205	(a) Redemption in kind limited to grain, with special pricing provisions	No position taken
	Payment rates to be such as to encourage participation for more than one year	No position taken
	(b) \$25,000 limit on acreage reserve payment	Opposed: (1) Not needed and could interfere with successful operation by limiting the degree of flexibility the Secretary now has in establishing limits on participation. (2) Reduce the effectiveness of the adjustment provisions of the program.
207	Forfeiture of payments for violation	Approved for consideration by Conferees
	(c) Limit of \$7500 on conservation reserve payments	Approve
209	Amount authorized for conservation reserve program increased to \$450,000,000	No position taken. For F.Y. 1957 expenditures are not expected to exceed \$300 million.
215	Compliance with acreage allotments as condition for eligibility for soil bank payments	No position taken. Could delay making payments to producers until determination has been made of compliance with allotments and corn base acreage.
220	Utilization of land-use capability	No objection

Section	Subject	Position taken by Department
221	CCC funds limited to February 1, 1957	Oppose: (1) It would cast doubt upon the availability of funds to fulfill long-term commitments. (2) Different methods of making payments would have to be devised for payments after February 1. (3) Could seriously disrupt entire Soil Bank Program unless CCC financing is permitted at least through June 30, 1957.
225	Prohibition on production of surplus commodities on lands leased from U. S.	No position taken.
226	Participation in Soil Bank required as condition of eligibility for price support producer not eligible for Soil Bank if he exceeds 5-year average acreage of price supported commodities.	Oppose: 1) To the principle of a mandatory provision tying eligibility for price supports to compliance with the soil bank program. 2) Would be very difficult and costly to administer as we do not have needed data. 3) Would appear to impose undue hardship on farmers in areas where plantings in base period years were below normal for the farm.
227	Farmers permitted to pool right to participate in conservation reserve	No objection
Title III		
301	Mandatory set-aside for corn; increase in cotton and wheat set-asides	Oppose: 1) Is an indirect way of increasing the support level. 2) It would tend to stimulate production and decrease consumption. 3) We already have in the set-aside carryover supplies sufficient to meet any foreseeable emergencies. 4) It would tend to nullify the soil bank program. 5) The existence of these quantities in Government hands would be bearish because of the uncertainties of disposal policies.
302	Submission of detailed disposal program	No position taken
303	Reestablishing of historic share in world market for U. S. cotton	Oppose: 1) The Secretary already has this authority. 2) This provision would be bearish on world cotton prices and lead to undesirable trade barriers.

H. R. 12, as passed by the Senate

Section	Subject	Position taken by Department
304	: Import quotas on extra long : staple cotton and export of : extra long staple cotton at : competitive world prices	: <u>Oppose</u> : 1) Changes in section 22 quotas should be made by the : usual administrative process rather than by legislation. : 2) CCC already has authority to make these sales.
305	: Authorization for additional: : appropriation of \$500 : million annually for : Section 32	: No position taken; may create budgetary problems.
306	: Transfer of bartered : materials to supplemental : stockpile	: Approve, except for deletion of provision restricting materials : to those within limits determined for stockpile and inclusion of : provision authorizing appropriation to pay CCC for materials : transferred.
307	: Surplus Disposal Adminis- : trator at \$15,000	: Approve.
308	: Increase P.L. 480, Title II, : from \$300 million to \$500 : million; payment of ocean : freight on Title II com- : modities and Section 416 : donations	: Approve objective; need language clarification. : (Has not received Bureau of Budget clearance)
309	: Commission to develop leg- : islation for industrial use : of agricultural commodities	: Agree with purpose but feel adequate authority already exists.
310	: Donations to penal and : correctional institutions	: Approve objective; but needs language clarification such as : limiting to food commodities.

H. R. 12, as passed by the Senate

Section	Subject	Position taken by Department
311	Prohibition for 3 years against crop loans, payments or benefits for surplus crops on newly irrigated or drained lands within Federal projects hereafter authorized unless same land previously used for such crops	No position taken.
312	Authorize CCC to pay processing costs on Sec. 416 donations	Favor.
401	Extension of reapportionment provisions of wheat allotments	No position taken.
402	Exemption from marketing quotas of wheat used on farm where grown	Favor, but not as substitute for expansion of noncommercial wheat area.
403	Cotton acreage allotments for cotton for 1957 and 1958 crops	Approve, subject to conditions in letter to Alken of March 2.
404	Cotton--small farm allotments--adds 100,000 acres on 1957 and 1958	No position taken.
405	Rice--minimum State allotments	No position taken.
406	Peanut marketing penalties increased from 50% to 75% of support price	Approve

Section	Subject	Position taken by Department
407	Provides interest charge at rate of 6% on penalties	Approve
408	Virginia and Valencia type peanuts--increase in acreage allotments if processors agree to purchase at parity prices	Oppose: Any need for increase should be apportioned on basis of existing legislation.
409	Preservation of unused acreage allotments	No position taken
410	Participation in Soil Bank made condition of eligibility for price support for corn	No position taken on this provision, but oppose general requirement making participation in Soil Bank condition of eligibility for price support on any commodity. See Sec. 226.
	Corn referendum on discontinuing acreage allotments and 75 to 90% mandatory price supports	Approve
	Grain sorghums, barley, oats, and rye support based on feed value ratio to corn	Oppose: Requires: <ol style="list-style-type: none"> 1. Mandatory supports on four additional commodities. 2. Disrupts historical price relationships among areas. 3. Increases support levels. 4. Increases governmental controls on farm operations. 5. Results in too rigid a calculation of support prices; more desirable to retain present flexibility.
501	Two price plan for rice	Oppose: <ol style="list-style-type: none"> 1. International reactions would be adverse. 2. Many enforcement problems would be encountered. 3. It would involve more rather than less Government controls than under the present program. 4. We might have to provide more economic aid to rice-producing countries which export more rice than we do.

Section	Subject	Position taken by Department
601	Assistance to States in tree planting	Favor
602	Forest products; price reporting; research	Oppose: Existing authority adequate, and States are the appropriate place for this information.
701	Survey of existing system of meat grading	Oppose, since existing authority adequate.

This investigation will also include the tremendously increasing use of the barbiturates and amphetamines by youth for thrill. These drugs are easily procurable and are manufactured by the millions of pounds each year in this country.

2. Also underway at the present time is a subcommittee investigation of treatment services and facilities, including detention homes, training schools and after-care services. Many persons think placing a child behind four walls for a length of time is a cure for delinquency. This is just not so. Too often exactly the opposite happens—the child becomes a hardened criminal.

Every year over 100,000 children are confined in common jails. They are thrown in with hardened criminals and come under their influence for varying periods of time. Other youngsters are confined in institutions wholly inadequate for rehabilitation. These institutions geared to meet this problem are sorely overtaxed.

To complicate this already complex problem, there is a severe lack of trained personnel to care for the youngsters.

The lack of uniformity of professional conviction among groups that contribute to the thinking in this field leads to indecision and lack of support on the part of the public and its legislators. This slows down progress in meeting the problem. Federal investigation and assistance is needed to clear away differences and to suggest adequate means of meeting this problem with all available resources.

Specifically the subcommittee plans to:

- Study the Federal probation system and Federal youth correction institutions with an eye toward having the Federal Government provide the example of State institutions.

- Study institutional handling of minors and detention facilities used for them.

- Explore the possibility of establishing within the national forests forestry camps on a cooperative basis with the States for the rehabilitation of youth that can benefit from such a program. The subcommittee has already introduced legislation S. 2433 to originate this program.

- Investigate the entire unexplored area of treatment and responsibility for seriously emotionally and mentally disturbed children.

Another problem needing immediate attention is that of mental health. The emotionally disturbed child whose problems are noted early enough can often be saved from a later life of crime and delinquency if treatment is promptly available. All too often, even where there are sufficient mental health facilities, treatment is often available only after months and months of waiting.

Our hearings may result in legislation that will enable two or more States to share the responsibility and the cost of a joint facility for handling these cases. The initial cost of such an institution often prohibits one State from going it alone.

An increasing number of serious crimes are being committed by the youthful offender—the youngster over the age of jurisdiction by the juvenile court, but still under 21.

The subcommittee hopes to conduct hearings on the extent of involvement in crime of youths between 18 and 21 years of age, and to investigate the detention facilities used on both the State and Federal level for these minors. The entire situation of the youthful offender must come under serious study if we are to reduce crime in this country and prepare all our youth for good citizenship. This would also include a study of the Youth Corrections Act to determine its effectiveness and the extent of its application in Federal jurisdictions.

The recruitment of those youths who have been juvenile delinquents for the armed services presents a series of problems based

upon, (1) the increasingly trying demands presented by the volume of juvenile delinquents available for military service, (2) the negative impact that they are believed to have upon military efficiency and discipline, and (3) the expense and confusion attendant to their enlistment and subsequent discharge under the existing conflicts of applicable laws.

This does not mean that the majority of juvenile delinquents may not make good soldiers, sailors, or airmen. It does mean that we have not yet learned how to predict their success or failure in service, and our nation may be losing for active military service many thousands of these youths.

The subcommittee would like to explore what the Department of Defense is doing to develop screening techniques and rehabilitative processes that will be equitable and effective.

Each year 200,000 children run away from home. Many end up in jail or are sentenced to institutions on charges of vagrancy. This is one of the Nation's most serious problems and needs immediate Federal attention and study. The subcommittee has introduced two measures S. 1088. To assist the States to return runaway children to their own communities in another State, and Senate Joint Resolution 44, to give the consent of the Congress for interstate compacts for the return of runaway children.

Hearings must be held on these measures so that action may be taken immediately to assist in handling this problem.

A study of what constitutes the most effective court system for the handling of juvenile offenders is most important. The subcommittee feels that the Federal Government should take leadership in establishing a proper court system. The Federal court system for handling juveniles should adopt procedures that can serve as an example for the rest of the Nation. Today the Federal system lags far behind many communities.

Out of these hearings will come some idea of how a juvenile court can be effectively run, the size of staff relative to the cases handled, how much time the court should spend in social study of the youthful offender before the trial, the adequacy of probation supervision, the availability of clinical service and the extent to which they are used, and the professional qualifications needed by judge and staff.

Many times children are deprived of their constitutional rights through the arbitrary proceedings of some of our courts and often times are subject to "star chamber" proceedings that leave them with a lasting disrespect for law and justice.

Delinquency is a problem with which many people, groups, and agencies are concerned. During the hearings, it has been forcefully brought home time and time again that there is all too often a decided lack of coordination and cooperation among the agencies trying to do the job. This is true both nationally and in local communities. Unless all efforts are brought into focus, there is bound to be duplication of effort. Worse yet, unless all of these good people and organizations work together, certain aspects of the problem are bound to be neglected or overlooked.

The subcommittee has already helped to establish two nationwide groups to deal with the problems of juvenile delinquency on a local level. One of these groups brought together the civic, fraternal, and veterans' organizations, representing a total membership of approximately 8 million persons. Where these organizations had many overlapping plans and programs to assist youth, they now have a national clearinghouse of information and are doing effective work in preventing delinquency.

The second group was composed of the 18 leading national public and private organizations which are active in formulating stand-

ards for local agencies handling delinquent children. This group was brought together so that the several organizations might join for sharing of information and joint planning on a continuing basis.

Delinquency in rural areas has grown almost twice as quickly as the delinquency in urban areas. Juvenile gangs, once thought of as merely a big-city problem, have now become a rural problem too. It is essential that the subcommittee devote time to a study of delinquency problems in rural areas as these communities have neither the funds nor the personnel to adequately determine the causes nor the preventive measures needed to alleviate the growing incidence of juvenile delinquency.

During the life of this subcommittee, much information has been collected on outstanding preventive programs, work of organizations, State and community plans. As an adjunct to investigations and hearings, this material should be researched and reported to the Senate and made available to the public. It comprises the most complete file on juvenile delinquency ever collected and only because of the necessity to devote most of the efforts of this subcommittee to the most pressing problems during its existence it has not been adequately studied.

Preliminary reports list that in slum areas as many as 20 percent of the juvenile population gets into trouble with the police.

The subcommittee would like to investigate the adequacy of the Federal housing program in slum areas and the effect of slum areas and conditions of poverty have on juvenile delinquency in such cities as Chicago, Philadelphia, Pittsburgh, and New York.

Of great concern to the subcommittee is the tremendous gap between the number of dollars needed and the number of dollars allotted to family-welfare work, education, psychiatric treatment and research, police court and probation work.

The subcommittee proposes an over-all evaluation of Federal programs in the fields of social service, employment, law enforcement, courts, detention, and recreation. Coordination is needed so that the small amount of money devoted to this work is effectively used.

In addition to these studies and investigations the subcommittee has the continuing task of holding hearings on legislation now before it. Hearings and reports must be prepared on the following Senate bills:

S. 958: Relating to the handling of juvenile delinquents.

S. 959: To prohibit juveniles, unaccompanied, from going outside the United States without a permit issued by the Attorney General.

S. 1087: To authorize aftercare payments by the Youth Division of the United States Board of Parole.

S. 1955: To provide for the enforcement of support orders in certain State and Federal courts.

S. 2213: Relating to pornographic literature publication.

S. 2281: To make unlawful certain commercial dealing in minor children.

S. 2515: Relating to penalties for violations of laws concerning pornography and related matters.

S. J. Res. 44: Interstate compacts for return of runaway children.

S. 3021: Relating to interstate adoption traffic.

It is vitally important that the subcommittee complete its hearings on these bills and strengthen the program of the Federal Government in meeting these problems.

The complex problem of juvenile crime in this country is not the subject for quick, piecemeal examination. Our findings are being added to the literature available on the problem and a growing number of students of juvenile delinquency are turning to the reports of the subcommittee as the only

centralized source of information on the problem.

We would not do justice either to our assignment or to the Congress unless our studies were conducted in a sound, scholarly fashion. The subcommittee's approach to its work justifies our findings taking their rightful place beside the other important literature in a field of deep concern to all Americans.

The fight against juvenile delinquency is vital in safeguarding our Nation's greatest resource—the young people who will take over its responsibilities and determine its future. Once we know the causes of juvenile delinquency, we can prescribe some of the remedies, as we have already suggested Federal remedies to alleviate some of the more outward symptoms of this national disease.

Mr. O'MAHONEY. Mr. President, I wish to add my word to the effect that the investigation of juvenile delinquency touches one of the most serious social problems existing today in the United States. In my opinion, this resolution should be adopted. I am heartily in favor of its adoption.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). If there be no further amendment to be proposed, the question is on agreeing to the resolution, as amended.

The resolution (S. Res. 173) was agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate insofar as they relate to the authority of the Committee on the Judiciary, to conduct a full and complete study of juvenile delinquency in the United States, including (a) the extent and character of juvenile delinquency in the United States and its causes and contributing factors; (b) the adequacy of existing provisions of law, including chapters 402 and 403 of title 18 of the United States Code, in dealing with youthful offenders of Federal laws; (c) sentences imposed on, or other correctional action taken with respect to, youthful offenders by Federal Courts; and (d) the extent to which juveniles are violating Federal laws relating to the sale or use of narcotics.

Sec. 2. For the purposes of this resolution, the committee, from March 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or agencies concerned and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

Sec. 4. Expenses of the committee, under this resolution, which shall not exceed \$55,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McClellan
Allott	George	McNamara
Anderson	Goldwater	Millikin
Barkley	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bender	Hennings	Murray
Bennett	Hickenlooper	Neely
Bible	Hill	Neuberger
Bricker	Holland	O'Mahoney
Bridges	Hruska	Pastore
Bush	Humphrey	Payne
Butler	Ives	Potter
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Laird	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young
Frear	McCarthy	

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent.

The PRESIDING OFFICER (Mr. SCOTT in the chair). A quorum is present.

The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCCARTHY. In view of the fact that no business has been conducted since the last quorum call, is not this quorum call out of order?

The PRESIDING OFFICER. It is out of order to raise any point of order.

Mr. MCCARTHY. Mr. President, it is my understanding that if no business has been conducted between quorum calls, the additional quorum call would not be in order and that an objection should be made to it.

The PRESIDING OFFICER. The Senator's point should have been made before the second quorum call was started.

Mr. ELLENDER. Mr. President, I ask for the regular order.

Mr. MCCARTHY. Mr. President, a parliamentary inquiry. Do I correctly understand that the point could have been made before the quorum call was commenced, but that it is not proper to make it at this time?

The PRESIDING OFFICER. The Senator is correct.

The quorum call was resumed and concluded, and the following Senators answered to their names:

Aiken	Bible	Case, N. J.
Allott	Bricker	Case, S. Dak.
Anderson	Bridges	Chavez
Barkley	Bush	Clements
Barrett	Butler	Cotton
Beall	Byrd	Curtis
Bender	Capehart	Daniel
Bennett	Carlson	Dirksen

Douglas	Johnston, S. C.	Neuberger
Duff	Kefauver	O'Mahoney
Dworshak	Kennedy	Pastore
Eastland	Kerr	Payne
Ellender	Knowland	Potter
Ervin	Kuchel	Robertson
Flanders	Laird	Russell
Frear	Langer	Saltonstall
Fulbright	Lehman	Schoeppel
George	Long	Scott
Goldwater	Magnuson	Smathers
Gore	Malone	Smith, Maine
Green	Mansfield	Smith, N. J.
Hayden	Martin, Iowa	Sparkman
Hennings	Martin, Pa.	Stennis
Hickenlooper	McCarthy	Symington
Hill	McClellan	Thurmond
Holland	McNamara	Thye
Hruska	Millikin	Watkins
Humphrey	Monroney	Welker
Ives	Morse	Wiley
Jackson	Mundt	Williams
Jenner	Murray	Young
Johnson, Tex.	Neely	

The PRESIDING OFFICER. A quorum is present.

Mr. DOUGLAS. Mr. President, I call up my amendment "3-7-56-M" and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The CHIEF CLERK. On page 8, line 11, after "hereof", it is proposed to insert "under which the tenants or sharecroppers share in that part of such certificate which represents acreage previously used or cultivated by the tenant or sharecropper shall not be less than his share of the crop or produce under his agreement with the owner."

Mr. DOUGLAS. Mr. President, I hope the distinguished chairman of the Committee on Agriculture and Forestry may be willing to accept my amendment. What it seeks to do is to make explicit the method of protecting tenants in payments which are made for acreage put under the acreage reserve program.

The provision in the bill as it is at present drawn is as follows:

The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in the certificates issued pursuant to section 205 hereof.

That is a worthy statement of purpose, but it does not provide a specific method of protection. In view of the testimony which has been given concerning the operation of allotments in certain States, it would seem that more definite provision is needed to protect tenant farmers.

Mr. ELLENDER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. ELLENDER. I may state to the distinguished Senator that I do not have any objection to the amendment at all. I think it is a good amendment. The only thing that I desire to be certain of is that it will not provide a vested right in the landlord's certificates to tenants who may have left the farm 6 months ago.

Mr. DOUGLAS. No; it is applicable only in case the tenant completes his crop.

Mr. ELLENDER. He must be on the farm working his crop before he becomes entitled to share the certificate with the landlord?

Mr. DOUGLAS. That is correct.

Mr. ELLENDER. With that understanding, Mr. President, I accept the amendment offered by the Senator from Illinois.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. I wish to reiterate a point which I made the other night in a colloquy with the chairman of the Committee on Agriculture and Forestry as to the nature of the relationship of landlord and tenant. In many places, these agreements are not actually written, formal leases such as we find in connection with city property.

I wanted to make it clear that the chairman agreed with me that the agreements may be informal in nature. What we have in mind is protecting the agreements in whatever way they have been recognized in a community. Very frequently they are verbal agreements, which may continue year after year. As I understand, if that has been the case in the past, it will still be recognized by the Secretary and by the proposed law.

Mr. DOUGLAS. The Senator is correct. The amendment provides that the division of farms for acreage for the acreage reserve program shall be approximately according to the share of the crop as divided between the landlord and tenant; or, at least, that the tenant's share shall not be less than the share of the crop which he receives.

Mr. FULBRIGHT. It is understood we are not talking of the formal, legal, written tenancy.

Mr. DOUGLAS. A verbal agreement would be covered as well as a written agreement.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I was wondering if the Senator's amendment touched a problem that occurs to me. It may very well be that a landlord farmer may have certain acreage which is planted and worked by a tenant. Suppose the farmer had 1,000 acres. He may have 500 acres customarily worked by tenants. The other 500 acres he may customarily work with outside labor.

That farmer may make a decision to put into the soil bank the 500 acres worked by the outside labor, and thereby take unto himself the entire payment for the soil bank program insofar as his farm is concerned. While he would be benefited, he would theoretically displace the outside hired labor.

Mr. DOUGLAS. And then the tenant's share of the 500 acres, which would continue to be farmed, would be decreased.

Mr. LONG. Not theoretically. But the tenant who farmed the other 500 acres would be excluded from any benefit from the soil bank, just as the outside labor could be excluded. At least, it would appear that way to me.

Frankly, I have raised the problem because it was suggested to me by at least one large farmer, that what a large farmer would prefer to do would be to put into the soil bank that part of the acreage which he customarily farmed

and worked with hired labor, labor which did not live on the farm.

I do not believe the Senator's amendment would reach that problem, unless it has some interpretation other than that which I have given to it.

Mr. DOUGLAS. I am afraid the junior Senator from Louisiana is correct.

I yield to the senior Senator from Louisiana.

Mr. ELLENDER. The 500 acres mentioned by my distinguished colleague would not be subject to any tenant-landlord relationship. The landlord could do whatever he pleased with it.

The amendment of the Senator from Illinois merely affects actual contracts, whether in writing or verbal. A writing or other formality would not be required so long as the contracts involved are performed as is the custom in the community involved, with the parties, and so on. The amendment should not go beyond that.

Mr. DOUGLAS. I do not see how, legally, it could go beyond that; but I think the junior Senator from Louisiana has pointed out a weakness with the amendment as drafted.

Mr. ELLENDER. It might be a flaw, but my good friend is correct when he states that his amendment goes as far as the law will permit it. I do not see how we could legally touch the situation given as an example by my colleague.

Mr. DOUGLAS. I have offered the amendment in order to make certain that the tenant will receive compensation for the acreage which he formerly cultivated and on which he produced, but which is not now cultivated.

In the illustration given by the junior Senator from Louisiana, in which 500 acres is cultivated by a tenant, and 500 acres is cultivated by the landlord himself, with hired labor, the 500 acres cultivated by the landlord with the hired labor, he could then reduce the acreage he rents not only to the tenant, say to 250 acres, and the tenant would suffer from a reduction in acreage without compensation payment for the acres withdrawn.

I do not quite see how that can be met in any amendment. I do not want to admit too much, but I think the junior Senator from Louisiana has put his finger on a weak spot.

Mr. ELLENDER. I read:

On page 8, line 11 of the bill, after the comma; "on a fair and equitable basis, in the certificates issued pursuant to section 205 hereof, and including such provision as may be necessary to prevent them from being forced off the farm."

That further provision is contained in the bill so as to assist tenants. As I said, if a landlord happens to have a farm part of which he rents and part of which he works himself, the two parts are to be considered, so far as the soil bank bid is concerned, as entirely separate units.

Mr. LONG. The only point I had in mind was could be illustrated in this fashion if a person had very good cotton land, in some cases, the payment might be as high as \$60 an acre. A farmer with 1,000 acres of cotton might

have had half his acreage worked by hired labor, which did not live on the farm. It would be a good business decision, although it might not be necessarily in the interest of the sharecropper, for the farmer to take out of cultivation 500 acres which had been worked by the farm-hired labor. The hired labor would not share in soil-bank payments. Inasmuch as there would be no particular person to whom the farmer would hire from year to year, the day laborer would not share in the profits of the soil bank. The 500 acres could bring to the farmer, at \$60 an acre, \$30,000.

Based upon the information I have received from one farmer, there would be no requirement that he share any of that revenue with the persons who had previously worked for him.

Mr. DOUGLAS. There is no protection for the day worker.

But if the tenant continued to farm the other 500 acres, as he did before, then he would not be injured by the withdrawal of the other 500 acres. But if his acreage were reduced from 500 to 250, while still not forced off the farm, he still would be compelled to make a living on a smaller number of acres, and would be in trouble. Of course, we are dealing with large units.

Mr. LONG. One thing which occurred to me about the soil-bank proposal is that I should like to see it benefit the small person and do justice to him in the same way as it would benefit and do justice to the large farmer. The small farmer, with only a few acres, would hardly find it to his advantage to put those acres into a soil bank, because that person has to sell his labor in order to make sufficient income to stay on his farm.

If labor accounts for half the expense, he needs to do that work and make that 50 percent himself. He has labor for sale, just as he would hope to sell the use of the land, the various other expenses which go into producing the crop.

Mr. DOUGLAS. I certainly do not pretend that the amendment plugs or meets all the possible difficulties, but I think it would help to protect the tenant from any unfair attempts by the landlord to take an unfair share of the land for the soil bank, land which otherwise would be covered by either a written or a verbal agreement on that portion of the soil which would furnish the tenant protection.

Mr. LONG. So far as I can determine, there is no provision in the amendment, and, so far as I know, there is no provision in the bill, which would prevent the owner of the land from making the decision himself, which would have the effect of exacting from the sharecropper land which would go into the soil-bank program. That decision would remain with the farmer.

Mr. ELLENDER. May I point out to both the Senator from Illinois and my colleague from Louisiana the following language in the bill at the bottom of page 24:

SEC. 223. In any case in which the Secretary determines (1) that a producer has

displaced any tenant or sharecropper, or reduced the acreage of any commodity farmed by any tenant or sharecropper, on any farm owned or controlled by such producer, (2) that such displacement or reduction was made in contemplation of, or on account of, participation by such producer in either the acreage reserve program or the conservation reserve program, and (3) that such displacement or reduction was without the consent of the tenant or sharecropper, the Secretary is authorized to deny such producer all or any part of the benefits provided under this act.

I believe that covers the problem, at least as far as it is within the power of Congress to do so.

Mr. DOUGLAS. I thank the senior Senator from Louisiana. That would seem to be the difficulty raised by the junior Senator from Louisiana.

Mr. ELLENDER. The question raised by my colleague is one of the weaknesses, if we may call it so, of the soil bank. It may be that, in fact, we did hear from many parts of the country some criticism about land remaining idle and that hired labor may suffer. But that is something we cannot expect to help. I believe that if the bill as a whole is read, and if the language shall be added as the Senator from Illinois has just proposed, the tenant will be protected.

I thank the Senator from Illinois. I wish to say I shall be glad to yield him more time if he finds he needs any.

Mr. DOUGLAS. I wish to thank the Senator from Louisiana for not only the courteous but the friendly manner in which he has received the amendment.

Mr. FULBRIGHT. Mr. President, in addition section 223, to which reference has been made, I point out that section 213, on page 20 of the bill, further alludes to the question of giving the Secretary power to provide for adequate safeguards. That, together with the other section mentioned, is about all we can do to protect the interests of the sharecroppers.

Mr. LONG. Mr. President, while I would support the Senator's amendment, and while I think it is an improvement in the bill, the thought occurs to me that, under the soil-bank proposal as it is drafted, there will be a great amount of displacement of hired labor. I do not see how that conclusion can be escaped. Unless employment is available elsewhere for such persons, I think we can anticipate that there will be further hardship in rural areas where persons who do not live on the farm are accustomed to being hired from day to day as agricultural workers.

Mr. DOUGLAS. If 25 million acres are to be withdrawn from cultivation, it naturally follows that fewer people will be needed to cultivate that land. I think that is true. That is one of the troubles with all these acreage reduction programs.

Mr. LONG. The point I wish to make is that in withdrawing that acreage, very liberal payments will be made to the farmers who own the land, but there is no provision to look after the day laborers who would ordinarily work on those acres.

Mr. DOUGLAS. I hope the point which the Senator from Louisiana has

made will lead him to support a bill which I am sponsoring for governmental aid in areas where there has been a considerable amount of unemployment for a considerable period of time. I think we do owe an obligation to the people forced off the soil who may find it difficult to get jobs in towns.

I thank the Senator from Louisiana for accepting the amendment.

Mr. ELLENDER. Does the Senator from Illinois yield back such time as he has remaining?

Mr. DOUGLAS. I yield back such time as remains to me.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. LANGER. The Senator has stated that trees can be grown in 15 years. Let me state that it will take longer than that for a tree to mature. Does not the Senator think 15 years is too short a time?

Mr. ELLENDER. The committee studied that question very carefully. At first a maximum limitation of 10 years was suggested, but because in some areas as much as 15 years are required to produce a mature tree, the committee provided an additional 5 years, when trees are to be planted on cultivated lands. From the testimony we received, it was felt that 15 years would be ample time.

Mr. LANGER. Can the Senator tell us what kind of trees can be grown in 15 years?

Mr. ELLENDER. For example, pine trees. They grow in 7 or 8 years in the south; trees of that age can be used for cord wood and pulp wood. The testimony was that in the northeast it would require as long as 15 years for a tree in that area to reach its useful size. I believe the provision for 15 years represents a happy and workable limitation.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

Mr. KERR. Mr. President, I call up the amendment proposed by the Senator from Georgia [Mr. GEORGE] and myself, identified as "2-17-56-C."

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, between lines 22 and 23, it is proposed to insert the following:

SEC. 107. Section 401 (e) of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following: "In the case of any such operation which is carried out through purchases, regardless of the source of the funds used for such purpose, the Secretary shall obtain from the processor a certification that the price received by the producer for the agricultural commodity involved was not less than the support price therefor or, in the absence of a support price, a fair price as determined by the Secretary."

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 30 minutes.

Mr. KERR. Mr. President, I yield myself 5 minutes.

The sole purpose of this amendment is to insure that when the Secretary of

Agriculture engages in a so-called support program for the benefit of an agricultural commodity, the producer of that commodity shall receive some of the benefit from the money spent. I have in my hand the report of the United States Department of Agriculture for March 15, 1956. I read from it, as follows:

USDA buys 11.2 million pounds of pork; total now 177 million pounds. Pork purchases of 11,220,600 pounds this week under the continuing program to assist hog producers brought overall purchases of pork and lard to 176,921,350 pounds since November, when the special USDA program got underway to help expand the consumption of pork products. Beginning March 19, USDA is discontinuing purchase of canned pork luncheon meat packed in 12-ounce tins. USDA will continue to accept offers for other canned products and has also requested offers to sell USDA 15 million pounds of lard; offers due not later than 2 p. m., eastern standard time, March 19. This week's purchases include 9,048,000 pounds of pork and gravy at from 66.48 to 67.97 cents a pound; 612,000 pounds of pork luncheon meat in 12-ounce tins at 47.17 to 47.18 cents, and 1,128,600 pounds in 6-pound tins at 44.69 to 44.73 cents; 432 pounds of canned ham at 64.97 to 65.39 cents.

Under the language of the report of the Department of Agriculture it says: "the continuing program to assist hog producers." Yet the fact is, and the record shows, that the hog producer is not getting the benefit of this program. The Secretary does not ask the packer what he paid the producer of the hog for the live animal. The Secretary does not even urge the packer to pay a reasonable price for the live animal on the hoof.

The hogs, Mr. President, are bringing less than 12 cents a pound; and, think of it, pork and gravy in the can is bringing 66½ to 68 cents a pound.

That is quite reminiscent of the program of some 2½ years ago, when the Secretary was buying beef products purportedly to support the price of beef. Yet, Mr. President, the fact is that the packers profited greatly, and the producers profited little, if anything, by reason of that program. Yet in the beef-buying program the Secretary bought considerably in excess of \$100 million worth of products. In this program the Secretary has already bought far in excess of \$100 million worth of products; and last week he spent between \$4 million and \$7 million, purportedly, according to his own statement, under the continuing program to assist hog producers.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 additional minutes.

Mr. KERR. Mr. President, if we are going either to authorize or to permit the continuing expenditure of public funds to support the price of agricultural products, we should do all within our power to insure that the producers of those products are the beneficiaries of our legislation.

Mr. President, this amendment would not require the Secretary to support the price of beef or cattle. I feel that that

should be provided for in the law; but efforts to bring that about have failed.

This amendment would, however, require the Secretary to obtain from the packer either a certificate that he had paid the producer the parity percentage required by law, if any, or, in the absence of such a requirement, a certificate that the producer had received a fair price for the product, as determined by the Secretary.

We know the Secretary has available to him so-called section 32 money. As I understand, there is some \$400 million in that fund now. It is a continually replenishable revolving fund, being replenished from certain sources of revenue. So far as I know, for the past several years that fund has been in the neighborhood of \$400 million or more. The bill now carries an authorization for an additional \$500 million, as supplemental funds available to the Secretary to support the price of any agricultural product he deems should be so supported. The purpose of this amendment is to see to it that, when he does, he obtains from the processor a certificate that the producer received the benefit of the expenditure. Mr. President, I submit that in equity, justice, and fair play we can do no less than adopt the amendment.

Mr. LANGER. Mr. President, will the Senator from Oklahoma yield briefly to me?

Mr. KERR. I yield to my friend, the Senator from North Dakota.

Mr. LANGER. I may say to my distinguished friend, the Senator from Oklahoma, that a short time ago I was talking to a packer, and he said, "I never made more money than I did during the drought in the twenties and thirties"; and he mentioned the very price support the Senator from Oklahoma has just mentioned. He said the farmers and hog producers made nothing, but the packers made the money.

So, Mr. President, I support the amendment; and I think it one of the best that has been offered. I hope the Senator from Oklahoma will request the yeas and nays on the question of agreeing to the amendment.

Mr. KERR. I thank the Senator from North Dakota.

Mr. President, this amendment makes our support program one for the producers, instead of one for the packers.

Mr. LANGER. At the present time the program is just a joke, so far as the producers are concerned.

Mr. KERR. Absolutely.

Mr. O'MAHONEY. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. O'MAHONEY. I applaud the amendment the Senator has offered. However, I note that it places in the Secretary the authority to determine what the fair price for the producer is. Has the Senator from Oklahoma attempted to define "fair price", or to state what the fair price should be?

Mr. KERR. I say to my good friend, the Senator from Wyoming, that I have attempted to do so in every way that I know how to approach it. I offered an amendment that it be fixed at 90 percent

of parity, but that amendment was defeated. I offered an amendment that it be fixed either at 75 percent of parity or at the same percentage of parity for livestock as was currently in effect for corn. But that amendment was defeated. In other words, every effort of the Senator from Oklahoma and other Senators to write into the bill the specifications of what a fair price would be, has failed. Our efforts failed under the attack of Senators who said that mandatory price supports at rigid levels could not be enforced or effectuated with reference to livestock.

Only as a last resort have I approached it from the standpoint which in a measure would give the Secretary discretion in that regard. The requirement of this amendment would be that the certificate show that the producer had either received the parity formula fixed by law or, in the absence of any, had received a fair price for his product, as fixed by the Secretary.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has again expired.

Mr. KERR. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 additional minutes.

Mr. O'MAHONEY. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. KERR. I yield.

Mr. O'MAHONEY. Is there any possibility of defining the considerations which the Secretary should take into account in determining the fair price, so as to make certain that the price of cattle—if it should continue to fall as it has been falling in recent months and in recent years—would be a fair price which would not be below the price which was less than fair at the beginning of this year? It is highly important to make it clear, either by legislative discussion or by amendment to the amendment, that the intention of the author of the amendment and the intention of the Senate is not merely to provide protection for the profits of the packer, without consideration of the price which the producer ought to be able to receive.

Mr. KERR. I say to the Senator from Wyoming that I am wholeheartedly in favor of such a provision. But in view of the fact that every previous effort in that direction had failed, it was the opinion of the Senator from Georgia and myself, in pressing for the adoption of this amendment, that this amendment would be the most we could hope to secure from a Senate which had so decidedly rejected every effort that carried in it the specifications as suggested by the Senator from Wyoming.

Mr. O'MAHONEY. In this country we have a situation, insofar as livestock is concerned, in which the livestock population, particularly the population of cattle, is at the greatest peak in history. There are more cattle in the country than would be necessary to furnish 1½ animals for every individual in the population.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has again expired.

Mr. KERR. Mr. President, I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 5 minutes.

Mr. O'MAHONEY. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. KERR. I yield.

Mr. O'MAHONEY. Therefore, the cattleman cannot accept the soil-bank withdrawal of part of his acreage, because then he will have no place to send his cattle, and he will be able to do nothing except sell them at a loss. So the purpose should be made clear—and this is all I hope to do at the moment—namely, that in this amendment the intention of the Senator from Oklahoma and the other Senators who are voting with him is to make certain that the Secretary of Agriculture, in administering this program of purchasing beef, shall give first consideration to the dropping prices of cattle under the present agricultural administration.

Mr. KERR. I thank the Senator, and I say to him that what he has stated is definitely the purpose of the amendment. Its purpose is definitely to direct the Secretary not only to determine what the fair price would be, but to make it public. I feel that thereby the Congress would have at least that check on the Secretary, and that the public would have at least on the actions of the Secretary, with knowledge on his part that the price would have to be one which he had determined to be a fair price.

Mr. President, I ask unanimous consent that the junior Senator from Oklahoma [Mr. MONRONEY] be shown as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ANDERSON. I was reading the amendment 2 or 3 days ago, and noticed the provision that if any such operation is to be carried out, the Secretary shall obtain a certificate from the processor. We had a long argument in connection with the dairy price-support program, to the effect that the processor had given the producers a price which reflected what the processor was to get from the Treasury when the particular quantity of butter, cheese, or other commodity was placed in storage. Do I correctly understand that this amendment is intended to make sure that if the support level is established, the processor must recognize that fact in the payment he makes to the producer?

Mr. KERR. And he must so certify. The Senator is correct.

Mr. ANDERSON. And if there is no support price, the Secretary of Agriculture has the right to determine a fair price.

Mr. KERR. The right and the responsibility.

Mr. ANDERSON. Does anyone feel that the Secretary should not determine a fair price, as a part of his real responsibility when he becomes Secretary of Agriculture?

Mr. KERR. I certainly agree with the Senator. I wonder if he does not agree

with me that that would be especially true when we are arming the Secretary with nearly \$1 billion to carry out a program to support the prices of agricultural products, and when he does it through buying the products of the processor rather than the products of the producer.

Mr. ANDERSON. I notice that a very substantial additional amount is made available to the Secretary. I think it would be too bad if that money were not used to try to obtain fair prices for the producers of agricultural commodities. I think it is a very difficult thing to obtain an absolute guaranty at a certain level. As the Senator knows, I have occasionally voted against amendments which he has offered with reference to livestock, because such amendments sought to establish a firm level. But a fair price is quite a different thing, and I believe such a provision could be justified. I intend to vote for the Senator's amendment.

Mr. KERR. I thank the Senator. I recall an incident when the Senator from New Mexico was Secretary of Agriculture. The producers of alfalfa seed in Oklahoma, along with those in adjacent areas, were in the midst of a very adverse market. Petitions were sent to Congress, but nothing was done. A group came to see me. I called the distinguished Secretary of Agriculture and told him their dilemma. The producers were receiving less than 15 cents a pound, and the processors were selling it in the open market for more than 30 cents a pound. The distinguished Senator from New Mexico, the then Secretary of Agriculture, said he thought he could do something effective, and at least he would try. He arbitrarily fixed what he considered would be a fair price, and offered to buy alfalfa seed at that figure. As I recall, he did not succeed in buying a single pound.

Mr. ANDERSON. I have forgotten the exact details of the incident, although I remember the incident in general. A price level was established which was substantially below what the processors were being paid. As I remember, I did not buy a single pound of alfalfa seed. As soon as that level was fixed, it fixed the other level.

Mr. KERR. And the processors paid it.

Mr. ANDERSON. Yes. I think the Secretary of Agriculture can do that sort of thing, and ought to do that sort of thing.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. KERR. I yield 3 minutes to the Senator from Wyoming.

Mr. O'MAHONEY. I should like to address a question both to the Senator from Oklahoma and the distinguished former Secretary of Agriculture, now the very able Senator from New Mexico.

Would it be practicable, from the point of view of accomplishing the purpose the Senator has in mind, if an amendment were offered to this amendment, adding a sentence somewhat like the following, after the word "Secretary" and before the end of the quotation:

Before completing any of such purchases, the Secretary shall make public announcement of the sale price so determined by him.

Mr. KERR. In answer to the question, I should like to have the Senator from New Mexico advise with me. If it were not plain that that was the intent of the amendment, would it not be clearly established if the word "publicly" were inserted in line 9, between the word "as" and the word "determined"?

Mr. O'MAHONEY. Yes; it would.

Mr. KERR. So as to read "a fair price as publicly determined by the Secretary."

Mr. O'MAHONEY. The important thing is to have such determination made before the completion of the sale.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ANDERSON. I suggest to the Senator from Oklahoma that if the Senator says "publicly determined," that means that the Secretary must publicly display the processes of determination. If the amendment were to read "as determined and publicly announced," there would be a determination, followed by a public announcement.

Mr. O'MAHONEY. Is it not essential to do that prior to the completion of the purchases?

Mr. KERR. These purchases extend over a period of weeks, and I am sure that if this provision were in the bill, it would be clear that that was the purpose of the language.

Mr. O'MAHONEY. I think the modification suggested by the Senator from New Mexico would attain the objective which the Senator from Oklahoma has in mind.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ANDERSON. Some time ago, when we were in the midst of the dairy program, there was a story to the effect that the dairy farmer was getting only 70 percent, even though the support level was 90 percent. In the milk sheds where there was a firm agreement, he was probably getting the full 90 percent. Out in the areas where there was not complete protection, he was getting substantially less than 90 percent. At that time the Senator from Vermont and the junior Senator from New Mexico joined in a bill which would require the processor to pay to the producer what the processor was going to establish as his price. It is out of that experience that I believe the Senator from Oklahoma has gained an important point.

Mr. O'MAHONEY. It is clear that the legislative intent is now so plain that no one in the Department can fail to know what we intend to have done.

Mr. KERR. Mr. President, I yield myself an additional minute, in order to thank the Senator from Wyoming and the Senator from New Mexico for this assistance, and to announce that my amendment has been modified by inserting, in line 9, after the word "determined", the words "and publicly announced", so as to read:

SEC. 107. Section 401 (e) of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following:

"In the case of any such operation which is carried out through purchases, regardless of the source of the funds used for such purpose, the Secretary shall obtain from the processor a certification that the price received by the producer for the agricultural commodity involved was not less than the support price therefor or, in the absence of a support price, a fair price as determined and publicly announced by the Secretary."

Mr. ELLENDER. Mr. President, I regret to again have to oppose an amendment offered by my good friend from Oklahoma.

As he stated, the amendment would require certification by a processor that the producer who sold him live animals or unprocessed commodities was paid not less than the support price, or a fair price as determined by the Secretary.

The amendment has a good purpose, and that is to assure producers that they will receive the benefit of surplus removal or price support programs carried out through purchases from processors.

This subject was thoroughly discussed when we considered the Agricultural Act of 1954, when section 401 (e) was before the Senate.

This question was again considered by the Committee on Agriculture and Forestry this year when we had the pending bill under study. It was our conclusion that the amendment would not achieve the desired purpose, and would hamper the operation of the program. It was our view that certification such as that required by the amendment could probably not be made by processors, for many reasons.

I should like to cite only a few of these reasons. First, the processors who do not purchase directly from producers all of the commodities they process cannot certify as to the price paid the producers. All of us know that a great many cattle are purchased on the hoof by truckmen. Many slaughterers purchase cattle, and thereafter sell them to processors.

Another reason is that processors who purchase directly from producers cannot identify a particular producer with the particular lots of processed commodities sold to the Government. That is especially true when the surplus removal program involves only a limited portion of the total production.

All of us know that many of the surpluses come about after an increase in the production of a commodity. This amendment does not take into consideration any amount of a purchased or supported product that may have been already processed before the purchase or support program began. For example, with respect to cattle, it is possible that at the time a purchase program is begun, a packer may have on hand a great deal of meat that has been canned and placed in cold storage, and the purchase of which could well bolster prices. With respect to that particular meat it would be very difficult to identify all the cattle from which it was processed.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ELLENDER. I shall yield in a few minutes. It would be impossible to ascertain who the producer of that particular quantity of processed meat might be. It would be impossible for a packer to certify that a fair price as set by the

Secretary and thereafter publicly announced by him, was paid as to that quantity of the processed commodity.

I now yield to the Senator from Oklahoma.

Mr. KERR. As I understood the Senator, he referred to a situation wherein a surplus had accumulated, with the evidence of its presence in the form of a great supply of products. Is that correct?

Mr. ELLENDER. The Senator is correct. That is one of the objections I am advancing. The Senator knows that some of the processors hold on hand as much as a 6 months' supply of a commodity; and some of them hold an even larger supply on hand. When it is determined that there is a surplus of a commodity on hand, it would be very difficult for the processor to determine whether he was paid a fair price under the bill, as determined by the Secretary, or the support price with respect to commodities on hand and already processed.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KERR. The situation the Senator has described undoubtedly has in part existed not only with reference to products when they were being purchased, but with reference to products being produced and when the practice is being operated solely for the purpose of relieving the packers of stocks on hand. It then becomes a bill primarily for the benefit of packers. It is to avoid and to make certain that the bill may accomplish the purpose that I know the great Senator from Louisiana himself has in mind, that is, to help the producers, that we ask the adoption of the amendment.

Mr. ELLENDER. I realize that, I am sure, as well as my good friend from Oklahoma does. I made the suggestion in debate last week that the Secretary of Agriculture make contracts with co-operatives that process meats or even with packers that process meats, and to let the quantity so contracted for be distributed to the school lunch program, on condition that those packers with whom the Secretary of Agriculture makes such a contract pay producers either the support price or a fair price, as determined by the Secretary of Agriculture.

Mr. President, as the Senator well knows, the purpose of purchase programs it to take from the market that amount of the commodity involved which will result in higher prices—in other words, to remove the glut which may be depressing the price. Frequently commodities dangle over the market and thereby depress prices.

Now, when the supply of such a commodity is reduced, it makes no difference whether the amounts come from stocks that are 4 months or 5 months old or whether they are newly-processed stocks. The fact that they are removed from the market tends to create a shortage which makes producers' prices rise.

No one in the Senate would better prefer to see something done about assuring producers a more direct participation in these programs than the Senator from Louisiana. The great difficulty with the

amendment of the Senator from Oklahoma is that the program it envisions would be very difficult if not impossible to administer.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ELLENDER. For the packer to have to keep records as to the farm price paid for every head of cattle or each hog that he processes, would offer insurmountable administrative difficulties. I yield to the Senator from Oklahoma.

Mr. KERR. The Senator remembers that the Department of Agriculture supported the price of pecans.

Mr. ELLENDER. That is correct.

Mr. KERR. Is it not a fact that the men who were in the process of accumulating a supply in carload lots for delivery to the Government were required to get a receipt from the individual producers, either directly or through those who had dealt directly with the producer, certifying that a certain minimum price had been paid to the producer, before a carload of pecans was eligible to be sold to the Commodity Credit Corporation at the agreed price?

Mr. ELLENDER. That may be true. I frankly do not recall the details of that particular program.

Mr. KERR. Does the Senator believe it would be any more difficult to trace down the individual animal than it was to try to trace down the individual pecan?

Mr. ELLENDER. To begin with, it was not necessary to trace down the individual pecan. The Senator in his question said the pecans were dealt with in carload lots. The particular lot could easily be identified. However, a hog or an animal cannot be processed overnight. Usually the animals are brought to the processor either directly or after purchase by people who work for themselves, and in many cases a great many of those hogs and cattle are bought slaughtered and then sold to processors by middlemen. The packing business is vastly different from the pecan incident the Senator has referred to. For example, the processing of cattle and hogs is a much larger scale operation than that of pecans; it is nationwide. The Senator knows, I am sure, that there is really no comparison between the two situations. There are a great many meat-processing plants in every State of the Union. In Iowa there is a processing plant in practically every city, or perhaps within every 10 square miles. Let me say to the Senator that I personally am in sympathy with his proposal, but the committee gave considerable thought to the matter and decided in 1954 not to incorporate such a provision in the bill. We again this year gave the matter a great deal of study. It is not that the amendment does not have a good purpose, but the difficulties connected with its administration would be insurmountable. I fear the Senator's proposal would not work, and that it might actually hamper the whole purchase and support programs.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. ELLENDER. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, If I thought the amendment would achieve the purpose for which it is obviously intended, I would be in favor of it. But work has been done on this problem for many years and we have not yet found a solution. For instance, meat products are processed from cattle fattened on an Iowa farm; but could it be determined that the original producer of the livestock on the Wyoming range received a fair price for his product? I do not know. No one has been able to figure that out.

Another problem connected with administering the amendment would be in connection with the purchase of dairy products. Take, for instance, a large cooperative in Minnesota, such as the Land O' Lakes, which sells for perhaps 200 small cooperatives scattered around the country. I do not know how they could certify that the original producers have received the full support price or a fair price as determined and published by the Secretary.

The support price for manufactured milk is \$3.14 or \$3.15 a hundred pounds, yet the average price paid in the State of Wisconsin is \$3 a hundred pounds. Most of the creameries and cheese plants are cooperatives. At the end of the season they might make additional payments, but no one knows what those payments may be. No one knows whether they will come up to the full support price. It looks to me that this amendment, if adopted, would make it very difficult for the Government legally to do business with the dairy co-operatives of the great north central dairying section.

One of the weaknesses of our farm program is that we have not yet found any way to translate the full support price guaranteed by the Government to the farmers. I do not know how we can do that without nationalizing the industry. I do not know that we could do it even then. I wish we could find a way to guarantee full support prices to farmers, but I am told that it is a fact that many of the small cooperative processing plants in Wisconsin and Minnesota could not continue in business if they had to return the full amount to the producer. They are small plants located conveniently to the community. The community might have to go a long distance to market, or have no market at all if it were not for these co-operatives.

Mr. LANGER. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. LANGER. Is it not true that Secretary Benson is a very, very smart man, and could figure out the problem with the staff he has?

Mr. AIKEN. I do not think his predecessor was able to figure it out. I am no judge of human intelligence. The more I see of it, the less I consider myself to be a judge.

Mr. LANGER. Has it not been stated that Mr. Benson is almost a superman?

Mr. AIKEN. I do not think he is a superman in any respect. I think if we could strengthen our cooperatives and could get good cooperative managements who in every instance were able to carry on their work, we could do quite a great deal to improve farm income. I doubt that any Secretary of Agriculture could comply with this amendment and certain other parts of the law at the same time. I wish it were possible, but I do not know how it can be done.

SEVERAL SENATORS. Vote! Vote!

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Iowa [Mr. HICKENLOOPER].

Mr. HICKENLOOPER. Mr. President, this amendment is just another amendment which in some ways might seem on its face to be a good amendment, but it would be, in the end, completely fatal to the livestock industry of the United States. It proposes, in effect, to put a very attractive support price on livestock in the market place, without any control whatsoever, and without any reasonable approach to the question of surpluses at the bottom. If it is adopted we shall have livestock in such numbers that the storage space could not take care of them, nor could the public purse support them. It is not only a dangerous amendment, but it would be doing the greatest disservice to the livestock economy in agriculture that one could imagine. We are all hoping that agriculture can get on a sound and prosperous basis, but such amendments as this one, Mr. President, will wreck it rather than help it. If the amendment is adopted we shall be doing something to the agricultural industry rather than something for it.

Mr. ELLENDER. Mr. President, I yield back my time.

Mr. KERR. Mr. President, I yield myself 3 minutes.

I was impressed by the statement by the distinguished Senator from Louisiana, and I knew he meant what he said when he told us he favored the objective of this amendment. He not only helped to put a provision into the bill to make \$250 million available to the Secretary, but accepted the suggestion of the Senator from Oklahoma and the Senator from Georgia to add to that amount. Under this amendment the Secretary would have more than \$500 million available to him to use. I know the Senator means what he says when he says he is in favor of the objective.

The Senator from Vermont said that if he thought the amendment would achieve its purpose, he would be for it.

Mr. President, the distinguished Senator from Louisiana who is chairman of the committee, the distinguished Senator from Vermont who is former chairman of the committee, and all the members of the committee have worked toward the objective sought by this amendment, but the fact remains that the objective has not been achieved. I have pressed other amendments which I thought would achieve the objective sought, but they have been rejected. I

submit that the cattle producers and hog producers in this country are entitled to more than the good wishes of Senators in this matter.

They are entitled to positive action; and if we refuse to tell the Secretary of Agriculture that he shall support, and at a definite price, and how it shall be done; if we still favor the objective of getting it done; how can we refuse a directive to the Secretary to get it done on the basis that he himself will develop and plan it?

I submit that in justice the amendment should be agreed to.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Oklahoma yield back the remainder of his time?

Mr. KERR. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of the time allotted to me.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma.

Mr. KERR. Mr. President, I ask for a division.

The PRESIDING OFFICER. As many as favor the amendment will please stand.

Mr. KERR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. KERR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McClellan
Allott	George	McNamara
Anderson	Goldwater	Millikin
Barkley	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bender	Hennings	Murray
Bennett	Hickenlooper	Neely
Bible	Hill	Neuberger
Bricker	Holland	O'Mahoney
Bridges	Hruska	Pastore
Bush	Humphrey	Payne
Butler	Ives	Potter
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Laird	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young
Frear	McCarthy	

The PRESIDING OFFICER (Mr. BIBLE in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. KERR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

The vote was recapitulated.

Mr. McNAMARA. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Michigan is recorded as having voted in the negative.

Mr. McNAMARA. I vote "yea."

Mr. McCARTHY. Mr. President, on this vote I have a pair with the junior Senator from Connecticut [Mr. PURTELL]. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. AIKEN. Mr. President, am I recorded on this vote?

The PRESIDING OFFICER. The Senator from Vermont is recorded as having voted in the affirmative.

Mr. KNOWLAND. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from California is recorded as having voted in the negative.

Mr. YOUNG. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from North Dakota is recorded as voting in the affirmative.

Mr. SMITH of New Jersey. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New Jersey is recorded as voting in the negative.

Mr. AIKEN. Mr. President, I understood the Chair to state that I am recorded as voting in the affirmative.

The PRESIDING OFFICER. The Senator from Vermont is recorded as voting in the negative.

Mr. AIKEN. In the negative?

The PRESIDING OFFICER. Yes.

Mr. AIKEN. I understood the Chair to state that I was recorded as voting in the affirmative.

Mr. McCLELLAN. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Arkansas is recorded as voting in the negative.

Mr. McCLELLAN. I vote "yea."

Mr. ERVIN. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from North Carolina is recorded as voting in the negative.

Mr. ERVIN. I vote "yea."

The PRESIDING OFFICER. The Senator from North Carolina votes "yea"?

Mr. ERVIN. Yes, "yea."

Mr. JOHNSON of Texas. Mr. President, may we have the regular order?

The PRESIDING OFFICER. The regular order is called for.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent. His pair with the Senator from Wisconsin [Mr. McCARTHY] has been announced previously.

The Senator from Connecticut [Mr. BUSH] is detained on official business. If present and voting, he would vote "nay."

The result was announced—yeas 49, nays 44, as follows:

YEAS—49

Anderson	Jackson	Mundt
Barkley	Johnson, Tex.	Murray
Bible	Johnston, S. C.	Neely
Byrd	Kefauver	Neuberger
Chavez	Kennedy	O'Mahoney
Clements	Kerr	Russell
Daniel	Kuchel	Scott
Douglas	Laird	Sparkman
Ervin	Langer	Symington
Frear	Lehman	Thurmond
Fulbright	Long	Thye
George	Magnuson	Watkins
Gore	Mansfield	Wiley
Hayden	McClellan	Williams
Hennings	McNamara	Young
Hill	Monroney	
Humphrey	Morse	

NAYS—44

Aiken	Dirksen	Martin, Iowa
Allott	Duff	Martin, Pa.
Barrett	Dworschak	Millikin
Beall	Eastland	Pastore
Bender	Ellender	Payne
Bennett	Flanders	Potter
Bricker	Goldwater	Robertson
Bridges	Green	Saltonstall
Butler	Hickenlooper	Schoeppel
Capehart	Holland	Smathers
Carlson	Hruska	Smith, Maine
Case, N. J.	Ives	Smith, N. J.
Case, S. Dak.	Jenner	Stennis
Cotton	Knowland	Welker
Curtis	Malone	

NOT VOTING—3

Bush	McCarthy	Purtell
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So the amendment offered by Mr. KERR on behalf of himself and other Senators was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. KERR. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma to lay on the table the motion to reconsider.

Mr. KNOWLAND. Mr. President, on this question, I ask for the yeas and nays.

Mr. JENNER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

On this vote the Senator from Connecticut [Mr. PURTELL] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Connecticut would vote "nay," and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 52, nays 42, as follows:

YEAS—52

Anderson	Green	Lehman
Barkley	Hayden	Long
Bible	Hennings	Magnuson
Byrd	Hill	Mansfield
Chavez	Humphrey	McClellan
Clements	Jackson	McNamara
Daniel	Johnson, Tex.	Monroney
Douglas	Johnston, S. C.	Morse
Eastland	Kefauver	Murray
Ervin	Kennedy	Neely
Frear	Kerr	Neuberger
Fulbright	Kuchel	O'Mahoney
George	Laird	Pastore
Gore	Langer	Russell

Scott
Smathers
Sparkman
Stennis

Symington
Thurmond
Thye
Watkins

Williams
Young

NAYS—42

Aiken	Cotton	Malone
Allott	Curtis	Martin, Iowa
Barrett	Dirksen	Martin, Pa.
Beall	Duff	McCarthy
Bender	Dworschak	Millikin
Bennett	Ellender	Mundt
Bricker	Flanders	Payne
Bridges	Goldwater	Potter
Bush	Hickenlooper	Robertson
Butler	Holland	Saltonstall
Capehart	Hruska	Schoeppel
Carlson	Ives	Smith, Maine
Case, N. J.	Jenner	Smith, N. J.
Case, S. Dak.	Knowland	Welker

NOT VOTING—2

Purtell	Wiley
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So the motion to lay on the table was agreed to.

Mr. WATKINS subsequently said: Mr. President, I voted for the amendment which was voted upon a few minutes ago. I had prepared an amendment covering the same general substance, and I ask unanimous consent to have printed in the RECORD immediately prior to the vote an amendment which I intended to offer which would cover the same general purpose, together with my statement with reference to the amendment.

There being no objection, the statement and amendment was ordered to be printed in the RECORD, as follows:

Amendments intended to be proposed by Mr. WATKINS to the bill (S. 3183) to provide an improved farm program, viz., on page 4, between lines 22 and 23, insert the following:

"CERTIFICATION OF RECEIPT OF SUPPORT PRICES BY PRODUCERS

"SEC. 107. Section 401 (e) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"(e) (1) Whenever any price support or surplus removal operation for any agricultural commodity is carried out through purchases from or loans or payments to processors, the Secretary shall obtain certifications from such processors that the producers of the agricultural commodities involved have received not less than the support price therefor or, in the case of commodities for which no support price has been established, such price, not less than 75 percent of the parity price, as may be determined by the Secretary to be necessary to provide a reasonable return to such producers.

"(2) In any case in which any such purchase is made from a processor, or a processor receives any such loan or payment, and such processor (1) fails to make the certification required by this subsection either prior to such purchase, loan, or payment or within a reasonable time thereafter, or (2) knowingly makes a false certification under this subsection, such processor shall refund to the Secretary the proceeds of the purchase, loan, or payment and shall forfeit to the United States any commodities delivered to the Secretary pursuant to such purchase, loan, or payment, and shall be ineligible to participate in such price support or surplus removal program for such period as may be prescribed by the Secretary. Upon failure of the processor to make any refund required by this subsection, the Secretary shall maintain a civil suit in the name of the United States for the recovery of the amount thereof. The penalties provided by this paragraph shall be in addition to the penalties provided by any other applicable provisions of law."

On page 4, line 24, strike out "107" and insert "108."

STATEMENT BY SENATOR WATKINS

Mr. President, last Friday, March 16, the Senate adopted an amendment which would increase the authorization for appropriations to further carry out the purpose for which Section 32 funds can be used, from \$250 million to \$500 million.

The principal method of removing surpluses by expenditure of section 32 funds is the direct purchase program. These purchases generally are made from processors rather than directly from the farmers. However, the law does not require processors to pay farmers a price which reflects a stipulated percentage of parity.

The Congress has no way of ascertaining, therefore, whether the surplus removal programs actually benefit farmers.

Section 401 (e) of the Agricultural Act of 1949 merely provides that:

"Whenever any price support or surplus removal operation for any agricultural commodity is carried out through purchases from or loans or payments to processors, the Secretary shall, to the extent practicable, obtain from the processors such assurances as he deems adequate that the producers of the agricultural commodity involved have received or will receive maximum benefits from the price support or surplus removal operation. (U. S. C. 1421 (e))."

It appears to me that if the Congress is going to appropriate such vast amounts of money for surplus-removal programs, then it ought to have assurance that farmers, not processors, are going to benefit.

For example, as of March 8, some 165,700,750 pounds of pork and lard have been purchased with section 32 funds at a cost of \$83.4 million, yet the parity price of hogs as of March 15, 1956 stood at only 57 percent of parity. This is a rise of 5 percent of parity since January 15, but probably most of this increase in parity price is due to the marketing of fewer hogs and not necessarily this support program.

Until the Senate adopted this amendment to increase the authorized appropriation to carry out the purpose of Section 32 funds to \$500 million, I had some doubt of offering my amendment which would require the Secretary of Agriculture to obtain certifications from processors that the producers of agricultural commodities, for which any price support or surplus removal operation is carried out through purchases from, or loans or payments to processors, have been paid for their product:

1. Not less than the support price therefor; or

2. In the case of commodities for which no support price has been established, such price, but not less than 75 per centum of the parity price, as the Secretary finds necessary to provide a reasonable return to such producers.

By way of explanation, let me point out that the amendment would require 75 percent of the parity price to be paid producers in the case of commodities for which no support price has been established, because Title III of the Agricultural Act of 1949, as amended provides that for commodities other than the basics (wheat, cotton, corn, rice, peanuts and tobacco) and the designated nonbasics (wool, including mohair; tung nuts; honey, milk, butterfat and the products of milk and butterfat) that the level of support, depending upon supply conditions, for commodities for which a control program is in effect shall be not less than 75 percent of parity.

Mr. President, it does a farmer very little good to have the Department of Agriculture through expenditure of Commodity Credit Corporation funds, or section 32 funds purchase commodities through surplus removal operations unless

1. A support level as a percentage of the parity price of the commodity is set by the Secretary of Agriculture.

2. And processors are required to certify that producers have been paid that price. It would seem much wiser not to institute such purchase programs unless it is evident that producers, for whose benefit the program is initiated in the first place, will actually benefit price-wise. To spend millions of dollars in surplus removal operations without a support level being announced and which does not result in the improvement of market prices can only lead to bitterness of feelings on the part of producers toward both the processors and their government.

For example, as I have noted under the pork purchase program as of March 8 some 165,700,750 pounds of pork and lard have been purchased at a cost of \$83.4 million, yet the parity price of hogs as of February 15, 1956, stood at only 57 percent of parity.

It seems unfair to accuse processors of not paying producers a fair price and of charging the Government progressively more for the commodity in question, as has been the case with the beef cattle and pork purchase programs, when the Government has failed at the outset to say what price is a "fair price." Perhaps some meat packers have taken unfair advantage of both beef cattle and hog producers and the Government as well, but until Congress requires that the prices paid producers reflect a stipulated support level such practices cannot be halted.

Mr. President, the amendment also provides sanction for failure on the part of processors to provide such certifications.

In any case in which any such purchase is made from a processor, etc., and such processor fails to make the certification required by this amendment either prior to such purchase, loan or payment, and such processor (1) fails to make the certification required by this subsection either prior to such purchase, loan or payment or within a reasonable time thereafter, or (2) who knowingly makes a false certification under this amendment, such processor (1) shall refund to the Secretary the proceeds of the purchase, loan or payment, (2) shall forfeit to the United States any commodities to be delivered to the Secretary pursuant to such purchase, loan or payment, (3) shall be ineligible to participate in such price support or surplus removal program for such a period as the Secretary may prescribe.

Should the processor fail to make any refund required by this amendment, the Secretary would be required to institute a suit in the name of the United States for the recovery of the amount paid.

In addition to these sanctions contained in the amendment, title 18, United States Code, provides an additional sanction for filing with the Government instrumentality a false certification. Section 1001 of this title provides for a maximum fine of \$10,000 and imprisonment not to exceed more than 5 years or both.

Mr. HOLLAND. Mr. President, I call up my amendment designated "3-16-56-B." I send it to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The LEGISLATIVE CLERK. On page 25, between lines 14 and 15, it is proposed to insert the following new section:

SEC. 225. (a) Notwithstanding any other provision of law, beginning with the 1957 crops, the Secretary shall require as a condition of eligibility for price support on any agricultural crop, except tung nuts, that the producer agree, if otherwise eligible, to devote an acreage of cropland (tillable in regular rotation) to either the acreage reserve

program or the conservation reserve program, or both: *Provided*, That this requirement shall not be applied to any crop as a condition of eligibility for price support in any year in which marketing quotas are in effect on such crop as a result of a referendum conducted prior to the enactment of this act: *Provided further*, That this requirement shall not be applicable to any farm with 15 acres or less devoted to price-supported crops during any one marketing year: *Provided further*, That the amount of such acreage of cropland shall be determined by applying a percentage factor to the total acreage of cropland being planted to price-supported crops for harvest during the marketing years for which eligibility for price support is being determined. The percentage factor shall be that determined by the Secretary, and in no event in excess of 15 percent of the acreage of cropland being devoted to price-supported crops. The Secretary is authorized to make agricultural conservation payments for approved conservation practices performed on land removed from production for market under this section.

(b) Except as the Secretary may otherwise provide by regulation, no producer shall be eligible for any payment under this act if the acreage of cropland devoted to price-supported crops, other than tung nuts, on any farm controlled by such producer is increased to an acreage greater than the average devoted to such crops in the immediately preceding 5 years (considering normal rotation practices).

Mr. HOLLAND. Mr. President, the amendment I have just called up for consideration is a simple one, but I regard it as basic if we are to make any real inroads on our surpluses by making effective use of the soil bank.

Briefly, the amendment would require those who receive the benefit of price supports to help balance supply with demand by contributing to the soil bank. In other words, those who are the heaviest beneficiaries of the farm program would be required to accept some of the responsibility for its overall success.

First, beginning with 1957 crops, the amendment requires, as a condition of eligibility for price support on any agricultural crop, except tung nuts, that producers must make a contribution to the soil bank—either the acreage reserve or conservation reserve—the percentage factor to be determined by the Secretary of Agriculture, but in no event to be in excess of 15 percent of the acreage of cropland being devoted to price-supported crops. Tung nuts are excepted because many growers of that commodity have no land other than that upon which tung trees are planted, and we could not expect them to destroy a part of their orchard.

I should like to call attention, at this time, to the fact that since we began the debate on the pending bill, the complete necessity of adopting an amendment of this kind has become evident by reason of the fact that amendments which have been adopted as applicable to corn and applicable to the four small grain crops provide in substance that 15 percent of each of those crops must be diverted into either the acreage reserve or the conservation reserve as a condition for price support. In other words, a principle has been followed by the Senate in the adoption of amendments with reference to corn and with reference to the four small grain crops;

and it is rather clear that to have any degree of justice between the various commodities and the producers who produce the various commodities which are under price support, that that principle requires consideration and, I believe, extension to the other crops.

Second. The amendment is not applicable to farms that have 15 acres or less devoted to price-supported crops. This takes care of the question of minimum acreage allotments for wheat, cotton, burley tobacco, and small farms in general.

Third. It does not apply to crops in 1957 for which producers have already voted in marketing quotas prior to enactment of this act. It would apply in 1957 to most quota crops, but some types of tobacco have voted quotas for more than 1 year and it would not be applicable to those crops.

Fourth. In order to eliminate the possibility of producers plowing up a lot of land currently being devoted to soil conservation crops, and not replacing such soil conserving crops with other acreage, it requires that no farm shall have a greater acreage of cropland devoted to price-supported crops than normally was planted to price-supported crops during the last 5 years. Of course an allowance is made for normal rotation practices.

Mr. President, the proposed amendment is the essence of assurance that acreage which is diverted shall not simply be placed into crops which although not basic crops, are nevertheless important crops, and thus aggravate the problems of other producers. Furthermore, the amendment is the logical accompaniment to amendments which have already been adopted by the Senate with relation to corn and small grains.

Mr. President, I should like to quote for the RECORD the applicable portions of the amendments which we have already adopted with relation to corn and small grains. The applicable portion of the amendment adopted with reference to corn reads as follows:

The Secretary shall require, as a condition of eligibility for price support on corn, that the producer agree to devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program or the conservation reserve program, equal to 15 percent of such producer's farm base acreage for corn.

Likewise, it is stated as an absolute prerequisite, in the case of a corn grower, in order to come into the program, that such grower is required to underplant his farm base acreage for corn.

In the case of the other four grain crops, I should like to quote the relevant portion of the amendment which has been adopted with reference to those crops:

The producers of such commodities—

And the commodities are grain sorghums, barley, oats, and rye—
to be eligible for price support, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or conservation reserve a portion of the tillable acres of grain sorghums, rye, oats, and barley equivalent to 15 percent of the average

number of acres devoted to production of such commodities, during the preceding 3 years.

In closing my presentation, let me say that it seems to me that, first, an amendment of the kind I have offered is required if we are serious about getting farmers to comply and to make a contribution to the soil bank and in that way build up soil fertility, which is the only justification for the huge amounts that we are to spend on the soil bank.

Second, Mr. President, I call attention to the fact that except for the adoption of such an amendment, we would have a one-sided program because of the amendments which have been adopted by the Senate, in that corn and small grains have to make a contribution by placing either in the conservation reserve or acreage reserve, of 15 percent of their acreage heretofore planted, as a condition to their participation in price supports.

Is it fair, is it reasonable, to require that kind of participation by the producers of corn and the four small grains and have no such requirement for those who produce soybeans, or for those who produce flaxseed, or for those who produce the basic crops?

It seems to me that it is elemental justice to have a provision similar to that we have already adopted with reference to corn and the small grains applicable all the way through. Otherwise we will find many people not complying and not putting land into the soil bank and not building up the reserve fertility for the Nation, which justifies the soil bank, and not playing fair with the producers who produce corn and small grains.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. I should like to ask the distinguished Senator from Florida if his amendment would establish what has been called a cross compliance.

Mr. HOLLAND. It would establish a measure of cross compliance, and it would establish assurance that no farmer could simply take out a part of his basic crop—as, for example, cotton or wheat—and get paid at the high rates that he would get under the acreage-reserve program, and at the same time plant other land, not of the kind that he has in the acreage reserve, but other land, and in such a way make more complex the problems of the producers of those other crops.

Mr. CASE of South Dakota. I believe it is equitable that when a farmer applies for price support on a particular crop, that he should comply with the requirement in the main program, and that he should put something into the soil bank with reference to that particular crop. However, it seems to me that the same difficulty will arise, if we are to establish cross compliance, that the Secretary found last year, when cross compliance was first proposed and we found it necessary to abandon so-called cross compliance. It might well be that a corn farmer would find that he should put some land into the corn soil bank, so to speak, but, because of his operations,

might feel that he should not go into the soil bank on every one of his crops.

Mr. HOLLAND. Either I have misunderstood the Senator's earlier question, or the Senator has misunderstood my answer. If the Senator will read subsection (b) of my proposed amendment, he will find that the lands a producer may divert are not specific acres. The condition imposed is that his total acreage on all price supported crops may not exceed that which was planted in the immediate 5 preceding years. That means he must devote some of his land to soil conserving crops, and he must also not exceed the total acreage for all price supported crops that he has had heretofore.

I may say, Mr. President, that it is very similar to the provision which has been written into the corn amendment and into the amendment relating to grain sorghums, barley, oats, and rye.

Mr. CASE of South Dakota. Mr. President, this illustrates the complexities which exist in dealing with agriculture when problems of this sort become involved in the operation of any program. I do not object to the requirement as to a particular crop, nor as to the total, but it seems to me that there might be a problem of crop compliance. Last year there was a great deal of practical difficulty.

Mr. HOLLAND. To amplify my former answer, while a certain measure of compliance is required, it is not required of any grower that he shall plant a smaller acreage of the total crops he produces under price supports than that which he has produced heretofore, but neither is he permitted to add to his total acreage for all those price-supported crops, as has frequently been done in the past, thus introducing other problems concerning other commodities than those receiving direct benefits from price supports.

Mr. President, I yield so much time as he may require to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I wish to say, first, that I do not think there is any Member of the Senate who is more in favor of helping the farmer than is the distinguished Senator from Florida. He has kept away from political implications. He has but one thing in mind in connection with this measure, and that is to restore a higher level of prosperity to the American farmer.

The farm bill is getting into such shape, particularly in connection with the last amendment, which I think will preclude the Government from purchasing butter and cheese in Minnesota and Wisconsin, or cattle in Montana, Idaho, or Colorado, that it seems just too much to expect that it can be successfully administered by the Secretary of Agriculture.

Mr. President, I think we should treat seriously the amendment offered by the Senator from Florida. Very obviously, when we fixed high support prices, we did so for the purpose of bringing higher income to the farmer. When surpluses accumulated, acreage had to be cut. It is not right, Mr. President, for those who are the beneficiaries of high support

prices to take the acreage which they are required to reduce from their original planting, and plant another commodity which breaks the price and backs of other producers who have not been benefiting from any support price at all, in many cases. There is a strong element of justice in the proposal of the Senator from Florida, just as he has the maximum element of justice in his own character.

Mr. PASTORE. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I have only a few minutes. I have about concluded what I had to say. Let us cast a vote for the amendment on its merits. Let us forget whether it will or will not embarrass the Secretary or the President. Let us cast a vote on the basis of whether it is going to help American agriculture.

Mr. PASTORE. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. PASTORE. Why was not that provision written into the bill by the committee?

Mr. AIKEN. What provision?

Mr. PASTORE. The amendment which is being sponsored by the Senator from Florida.

Mr. AIKEN. Because the Senator from Florida and I were in the minority when some other provisions were written into the bill, and we reserved the right to present our own position through amendments on the floor. The majority of the committee did not see fit to write this particular provision into the bill.

Mr. PASTORE. The argument which is being made by the Senator from Vermont seems to reflect a great deal of reasonableness and justice.

Mr. AIKEN. I regret the majority of the committee did not agree.

Mr. PASTORE. Do farmers have the right to plant something which might undermine other farmers?

Mr. AIKEN. That is what has been happening. That is one particular reason why we are in difficulty at this time.

Mr. HOLLAND. Mr. President, will the Senator from Vermont yield so that I may answer the Senator from Rhode Island further? I will extend the Senator's time 1 minute.

Mr. AIKEN. I yield.

Mr. HOLLAND. Not only is it true, as stated by the Senator from Vermont, that the committee was divided in its position on a similar amendment to this one, which covered all crops, but it was divided, as I recall, about the same way it was divided as to other controversial matters. But since the committee acted on this question, I call the attention of the application of this principle to the fact that the Senate had itself written a provision into the bill requiring the application of this principle to the producers of corn and the small grain crops.

Mr. PASTORE. As a matter of fact, does it not amount to a second bite of the cherry?

Mr. HOLLAND. I do not know that I understand the Senator. I suppose cherries are raised in Rhode Island.

Mr. PASTORE. We do not raise cherries, but we know a little bit about a second bite of a cherry.

We are saying that unless the amendment is passed, insofar as certain commodities are concerned, some farmers can undermine other farmers.

Mr. HOLLAND. I think the Senator is correct.

Mr. AIKEN. Mr. President, twice before I have sought to place a provision of this nature into a bill which would protect the producer of unsupported crops from being hurt by the policy of those who had high-support prices. We have heard that the Secretary did not enforce compliance last year. Why? Because Congress, the Senate particularly, expressed itself as being opposed to compulsory compliance with all acreage allotments in order to receive price support. If we had insisted on compulsory compliance last year we would be far better off today than we are at this time.

Mr. HOLLAND. Mr. President, I yield to the Senator from Minnesota [Mr. THYE] such time as he may require.

Mr. THYE. Mr. President, if we had a soil bank program, providing that the producer could retire acreage and be compensated for such acreage retired, the producer would have an income from the program which would enable him to pay some of his more or less fixed expenses including his taxes. Cross compliance without a soil bank program as is envisioned in the pending legislation would be impossible of achievement. We cannot expect a man to lay idle some of his acres without a return. If we were farmers in the semiarid areas, where it is customary to lay idle half of the unit for summer fallowing, and then be compelled to set aside 30 or 40 percent of the other tillable acres without compensation, the best of us would be ruined.

Mr. YOUNG. Mr. President, will the Senator from Minnesota yield?

Mr. THYE. I should be delighted, if the Senator from Florida will let me have sufficient time to yield.

Mr. YOUNG. With respect to the wheat farmer, he has already cut his acreage at least one-third, and, in many areas, more than that. If he could not plant anything on those diverted acres, it would be an impossible situation.

Mr. THYE. That is what I was trying to say to my colleagues.

What is being proposed is a concerted effort to get a reduction in the number of acres tilled, thereby reducing the surpluses ruining the farmers' markets today. That is the only commonsense approach to the question. Full parity in the market place cannot be obtained so long as these surpluses exist to destroy the markets. The amendment proposing that it be mandatory to comply and to lay idle diverted acres—the acres diverted from cotton, wheat, corn, or any of the basics—is a perfectly sound and logical approach, in my opinion, to the question. That is why I shall support the amendment.

Mr. President, I want to emphasize that this is the first time there has been an intelligent approach to the question of surpluses, and it is the first time a legislative enactment has been proposed

which makes commonsense from the standpoint of reducing the farm plant.

Now let us try to visualize, Mr. President, what it would be like if you were a cash renter of a 200-acre farm and were paying \$12 or \$15 an acre rent. Do you think for 1 moment that it would be financially possible to retire 50 percent wheat acreage, 20 percent of your corn acreage, or a like percentage of your cotton acreage, and then not be able to obtain any compensation whatever for doing so?

Do you think, Mr. President, that the farm operator could pay \$15 an acre cash rent, retire some of the rented acreage, and still remain solvent? Of course not. Some of us endeavored 2 years ago to provide for the retirement of tillable acres through some sort of compensating retirement program. We were unsuccessful. Now we are proceeding toward such a course of action. It is a first common-sense approach to the problem, as I have already said. Give us a year and a half, and I would be willing to wager—and I am not a wagering man—that there will be notable progress in the retirement of tillable acres; and once this has been achieved, we shall be well on the way to bringing surpluses within manageable proportions and to establishing conditions in the market place reflecting 10 percent of parity. This will be possible because of the high level of our Nation's economy.

Times are not like they were in the depression years of the early 1930's, when there were millions of unemployed persons, and our national economy was depressed. That is not the case today. This country is experiencing record employment with high wages for the worker. Resale and wholesale price levels are such that our economy should reflect full parity for the farmer. What has kept the farmer, however, from receiving 100 percent of parity is the burden of surpluses.

It will be well into 1957 before the soil bank program will prove its effectiveness in reducing materially the surpluses. That is why the Senator from Florida [Mr. HOLLAND] has proposed the amendment which would make it mandatory to retire acres. The acres must lie idle. If the program is to operate effectively, acres must not be used for production of other crops.

Had such a program become effective 2 years ago, the farmer would be pretty well out of the woods and into the daylight and the farm economy would not continue to be threatened by these surpluses of agricultural commodities. Therefore, for the reasons I have stated, I support the amendment of the Senator from Florida. I want to reiterate, Mr. President, that we cannot hope to achieve this year substantial results from the soil bank program, specifically so far as the surpluses are concerned. Winter wheat was planted last fall in Oregon, Washington, Colorado, Oklahoma, Kansas, and in the Panhandle area of Texas. In Minnesota, winter wheat was planted last September. Therefore, it will be possible to obtain only a very limited reduction of tillable winter wheat acres in 1956 through the operations of the soil

bank program. Because of this situation, I proposed a 1-year restoration of 90 percent price supports in committee so as to stabilize the whole farm economy until such time as the soil bank achieves the objectives sought by it. The proposal, however, was rejected.

Then we subsequently noted a 2 years' restoration of 90 percent supports, because it was believed that a time well beyond this year must pass before there would be any material results achieved from the soil bank program. In the meantime, we were convinced of the necessity of maintaining higher supports so as to prevent the farm economy from going farther down hill.

But so far as the pending question is concerned, I am convinced there must be mandatory provision governing the diverted acres if there is to be a positive reduction in acreage. In the past, through corn acreage allotments, acreage allotments on wheat, cotton, and the other basics, we have merely changed the production of an acre of wheat, or one of the other basics, to production on that acre of another crop, such as oats, barley, or sorghum grains. We have never effected a complete reduction in the overall farm plant, but merely permitted acreage to be diverted from one basic crop to another or to a feed crop.

I regret exceedingly that so many criticisms have been made with respect to the sincere efforts being put forth to write a sound, constructive farm bill. I think time will prove the merit of amendments which have been offered up to the present time.

However, some have weakened the supports materially on commodities such as corn, wheat, and cotton.

The question of wheat supports will face an uncertain future in conference because of the two-price system and the objection by the administration to the two-price system.

But in the main we have legislated constructively. If we could have retained the committee's restoration of 90 percent price supports on the basics for at least this year, we would then have guaranteed that the price would not drop further in this calendar year. Then with the complete introduction of the soil bank program, and an effective administration of it, I believe we would be so well along with controlling surpluses that the price support factor would be unimportant.

But in the main—and I say this without even a quiver in my voice—I believe that in this bill we have done a better job for the farmer than has ever been done before, because we are proposing positive action, through the soil bank features, to manage surpluses, and we are also supplementing section 32 funds in order to dispose of and handle perishables. In all, we have done a pretty good job with the bill. I feel confident that time will prove the accuracy of that statement. My major concern has been that if the farmers go into the fall of 1956 with a 27 cents a bushel price drop on wheat and an 18 cents per bushel price drop on corn as announced by the Secretary of Agriculture under flexible

price supports, those price reductions would be reflected in the prices of feed grains. Cheaper feed grains will mean probable increased livestock production, and we shall again be on the merry-go-round of reduced farm prices and further declining income for the farmer.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. THYE. I thank the Senator from Florida for granting me time.

The PRESIDING OFFICER. All time of the Senator from Florida on the amendment has expired.

Mr. HOLLAND. Mr. President, I ask the chairman of the committee if he will yield me 1 minute. I understand the distinguished senior Senator from Utah wishes to propound a question, and I should like to have the privilege of answering it. I do not know what his question will be.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Florida.

Mr. HOLLAND. I yield to the Senator from Utah.

Mr. WATKINS. May I ask the Senator from Florida if the amendment he has offered is substantially the same amendment which was offered last year during one of the discussions on the farm program?

Mr. HOLLAND. It is in the field of cross-compliance and assurance that diverted acres will not be used to ruin someone else. My amendment is not so far-reaching as the one which was considered before.

Mr. WATKINS. Mr. President, I had intended to offer an amendment, but the amendment of the Senator from Florida is in the same field in which I had prepared to offer my amendment. I think his amendment will take care of the situation.

However, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in support of this general proposition, and of the amendment I had intended to offer, but shall not now offer, because I believe the amendment of the Senator from Florida will take care of the general situation.

Mr. HOLLAND. I thank the distinguished Senator from Utah.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

The statement is as follows:

ELIGIBILITY FOR PRICE SUPPORT AND ACP
PAYMENT AMENDMENT

(Statement by Senator WATKINS)

I had had some reservations about introducing my amendment labeled as 2-22-56-F until last week when the Senate attached several amendments which increase Government transfer payments to farmers by at least one-half billion dollars over that amount originally provided for in S. 3183 as reported from committee. Because of this, I now call for consideration of this amendment which, if adopted, would:

1. Permit the Secretary of Agriculture to require, as a condition of eligibility for price support under the Agricultural Act of 1949, that farmers participate in the acreage-reserve program provided for in sections 203 through 206, inclusive, of this bill—S. 3183.
2. Require farmers to participate in the acreage-reserve program provided for in sec-

tions 203 through 206, inclusive, of S. 3183 in order to be eligible for payments under the agricultural-conservation program authorized by the Soil Conservation and Domestic Allotment Act of 1936, if they produce wheat, cotton, corn, rice, flue-cured tobacco, burley tobacco, and cigar binder tobacco types 51, 52, 54, and 55.

3. Render any farmer who knowingly harvested any acreage of a basic commodity in excess of the farm acreage allotment for that farm ineligible for payments under the agricultural conservation program authorized by the Soil Conservation and Domestic Allotment Act of 1936.

No person, however, is deemed to have harvested any basic commodity acreage in excess of his acreage allotment by reason of harvesting:

1. Corn for ensilage;
2. Wheat in an amount not in excess of 15 acres;
3. A commodity or crop with respect to which producers have rejected marketing quotas in a marketing quota referendum; or
4. Peanuts for seed to be used for the raising of peanuts to be hogged off.

Mr. President, it appears to me essential that the Secretary of Agriculture be given permissive authority to require that farmers participate in the acreage-reserve program in order to be eligible for price support. The acreage-reserve program certainly will fail to produce the desired results unless farmer participation in the cotton, corn, wheat, rice, and tobacco producing areas is very substantial. At a time when we have almost unprecedented Commodity Credit Corporation inventories of these commodities, it appears essential that the Secretary should have a sanction at hand to induce substantial participation in the event the rates of payment are not high enough to accomplish this basic objective. Unless farmers participate, the program will fail to materially reduce surpluses—the objective of the acreage-reserve program.

In this respect, I should like to point out that as of December 31, 1955 the Commodity Credit Corporation had in inventory: (1) 888,542,189 bushels of wheat valued at \$2,399,042,201; (2) 7,920,833 bales of upland cotton valued at \$1,437,071,012; (3) 757,612,049 bushels of corn valued at \$1,300,322,952; (4) 15,387,444 hundredweight of rice, rough and milled, valued at \$175,902,152.

These you will note are the commodities eligible for the acreage reserve program.

Likewise, Mr. President, if farmers are going to continue to get payments for carrying out conservation practices under the agricultural conservation program, which will result in increased yields and total output of cotton, corn, wheat, rice, and tobacco, they ought to be required to participate in the acreage reserve program.

It is sheer nonsense and a waste of public funds on the one hand to pay out money to increase production and then not to require participation in an acreage reserve program which has, as its objective, the reduction of cotton, corn, wheat, rice and tobacco production.

For the same reason, any farmer who knowingly harvests any acreage of a basic commodity—wheat, cotton, corn, rice, tobacco and peanuts—all of which except peanuts are eligible for the acreage reserve program, in excess of his acreage allotment should not be eligible to receive payments under the agricultural conservation program. The only exceptions to such a provision should be in those cases in which—

1. A farmer has an acreage allotment of less than 15 acres, since under the marketing quota provisions of the Agricultural Act of 1938, as amended, a farmer with a wheat acreage allotment of less than 15 acres can grow and harvest 15 acres of wheat without penalty.

2. A farmer grows corn for ensilage, since it is consumed on the farm.

3. A farmer grows peanuts for seed to be planted to peanuts to be grazed by hogs on the farm.

4. Farmers have rejected marketing quotas in a referendum, since adequate penalty in the loss of maximum price support assistance is provided in the law.

The basic reason for requiring that farmers must comply with acreage allotments in order to receive assistance under the agricultural conservation program is to provide an added sanction to induce compliance with production controls so that production can more nearly be brought into line with demand. Although production controls at best are not too effective in bringing and keeping supply in line with demand, it is important, in light of the big surpluses on hand of basic commodities, that they be reinforced by such a sanction as this amendment provides. This is especially true with respect to the farms owned by one-third of our farmers who produce 80 percent of our marketable crop value and who receive 85 percent of our net farm income.

However, I do agree that such a sanction should not apply to our small farms, especially those having wheat and corn acreage allotments of less than 15 acres. But I cannot agree that it should not be made applicable to the large commercial farms, though fewer in number, but which produce the bulk of our food and forage crops. Specifically, my reasons for this are:

1. If public funds are to be used to increase the capacity of these commercial farms, as is the case with respect to the agricultural conservation program, while, at the same time, the Government is obliged to support the prices of the crops in question, then the public interest certainly requires that sanctions be imposed which will work toward the goal of keeping supply in line with demand.

That the bulk of payments now made under the agricultural conservation program are for practices which primarily increase output rather than build the soil, as do more permanent-type practices, is revealed by table 5 of the Summary of the Agricultural Conservation Program for 1953, published by the United States Department of Agriculture. In 1953, 42 percent of the \$185 million farmers received was spent for fertilizer and inorganic materials—limestone, phosphate, and potash. Another 14 percent was used for protective manure crops.

2. If we want to really advance soil conservation on lands devoted to the growing of soil-depleting crops, then farmers, if they are to be eligible for such financial assistance on such crops—and they are the crops in question here—should be required to observe acreage allotments. In this respect, I should like to call your attention, Mr. President, that from 1936 to 1944 the USDA paid farmers \$1,666,300,000 under the agricultural conservation program to withdraw soil-depleting crops, including those here in question, from production. Farmers were given an acreage allotment, and if they kept within that allotment, they received an agricultural conservation program payment.

That such a practice was more of a permanent soil-conserving nature than most of those for which farmers are compensated today under the agricultural conservation program cannot be disputed. As Rainer Schickele, chairman of the agricultural economics department of North Dakota Agricultural College, has so ably stated in his recent book *Agricultural Policy*: “* * * the public interest is concerned primarily with erosion control, with keeping the topsoil in place, because it constitutes the nonrenewable fund resource of the soil. Fertility maintenance, better farm use of water, and maintaining forages are essential only insofar as they are needed to control erosion. The ACP objective fails to make this important distinc-

tion. Consequently, a certain proportion of the available funds is used to pay for practices on land which would not have been permanently damaged if these practices had not been performed. * * *

"There can be no question that a considerable part of the ACP payments are being made for practices on land where those practices are not necessary for the public interest in soil conservation. * * *

"If the funds now disbursed on lands not subject to erosion could be shifted over to unprotected erodible lands, the effectiveness of the program could be substantially increased. We, as a nation, would get more real soil conservation per tax dollars spent than we are getting now" (p. 104).

Contrary to the opinion of some people with respect to this matter, it is evident that not to require compliance with acreage allotments on soil-depleting crops as a condition for receiving ACP payments on farms having an allotment of over 15 acres would result in less conservation worthy of the name, than would otherwise be the case.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 10 minutes.

Mr. ELLENDER. The Committee on Agriculture and Forestry passed upon this proposal during the deliberations of the committee. It is what might be called the third prong of the soil bank proposal as submitted by the American Farm Bureau Federation. The Farm Bureau presented us with a proposal calling for first, a voluntary retirement of allotted acres, with the farmers being paid mostly in kind—that is in CCC agricultural surplus stocks—for diverting their allotted acres.

The second prong of the Farm Bureau proposal was similar to the conservation reserve section which is in our own bill, under which the farmers would be paid a certain amount to reduce production by diverting a portion of their cultivated acres to conservation purposes, for a period of not less than 3 years.

The third prong of the Farm Bureau's proposal is embodied in what the Senate is now considering, in a greatly modified form. Originally the Farm Bureau recommended the setting aside of a portion of a farmer's cropland acreage without payment and with denial of price supports as the penalty for the farmer's failure to comply. The amendment which the Senate is now considering carries out this proposal by the Farm Bureau, but with this exception, that for diverting acreage to the soil bank up to an amount equal to 15 percent of a farmer's acreage devoted to price-supported crops, the farmer would be paid under either the acreage reserve or the conservation reserve program.

Mr. President, the committee after mature deliberation decided to make the soil bank a voluntary program.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I shall yield in a moment.

The committee decided to make it purely voluntary, but we now have presented to us an amendment that would force farmers either to set aside and divert to the soil bank up to 15 percent of

their croplands, or be penalized by being denied price supports.

Mr. President, I would not have any difficulty in accepting the amendment of my good friend from Florida if it simply treated price-supported crops other than the basics in the same manner that we have treated barley, oats, rye, and grain sorghums. It would be all right to do that, so far as I can see. But the Senator's amendment goes further. He tells the farmers that in order to be eligible to receive price supports, they must divert cropland to the soil bank up to an amount equal to 15 percent of their acreage devoted to price-supported crops.

Mr. President, in my judgment, this is an effort to convert the soil-bank program, which the administration wants to be a voluntary program, and which I believe the vast majority of our farmers want to be a voluntary program, into a more or less compulsory program.

Mr. HOLLAND. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield for a question.

Mr. HOLLAND. Is it not true that with reference to corn and the four small grain crops the Senate has already adopted a provision requiring, as a condition of eligibility for price support, that the producer must divert, either to the acreage reserve or the conservation reserve program, an acreage equal to 15 percent of the producer's farm base acreage for corn, and somewhat similar language for the four small grain crops?

Mr. ELLENDER. The Senator is correct, but the difference between the crops he has mentioned and the crops of cotton or wheat or other basics is that in the latter cases we have in recent years forced farmers to reduce their acreages devoted to these basic crops—that is, their allotted acres, until it hurts. I call the Senator's attention to the fact that the wheat farmer's acreage allotment has already been reduced from 78 million acres to a minimum of 55 million acres. The cotton farmer's allotment has already been reduced from twenty-eight or twenty-nine million acres to seventeen million - three hundred - thousand-odd acres.

I say to put a further condition on the eligibility of those farmers to receive price supports is unfair and inequitable.

As I said before the Senate started voting on the bill, the first question the committee decided was whether or not we should make the soil-bank program compulsory or put it on a voluntary basis, and the committee went on record as desiring to make it voluntary. The distinguished Senator from New Mexico offered, as a substitute to the soil-bank provision that is now in the bill, the original proposal of the farm bureau, and one of the objectionable features in the proposal, from the standpoint of a majority of the committee, was the third prong of it which the Senator from Florida, as I understand, is now trying to incorporate in the bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Is it not true that one very great difference between corn

and the four small grain crops, as embodied in the amendment which the Senate has already adopted, and the other crops is that mandatory price supports are required in the amendment for corn and the four small grain crops, whereas there is no such provision with reference to all the others; and is not that a very great difference to the advantage of producers of corn and the four small grain crops?

Mr. ELLENDER. I would have no objection to the amendment of the Senator from Florida if he struck the basics from it. I discussed that with him, as I am sure he remembers. If the amendment is adopted without exempting the basics, and the producers of the basic crops were forced to put up to 15 percent of their cropland into the soil bank—

Mr. HOLLAND. I beg the Senator's pardon.

Mr. ELLENDER. The Senator's amendment would take the soil bank out of the category of being a voluntary program. In other words, unless cultivated acreage equivalent to up to 15 percent of a farmer's land devoted to price-supported crops placed either in the conservation reserve or the acreage reserve, the producer of the basics is denied price supports. It is that compulsory feature as applied to producers of basic crops that I do not like in the Senator's amendment.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for an additional 5 minutes.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield for a question.

Mr. HOLLAND. Of course, I respect the expression of the distinguished chairman of the committee; but I think perhaps he has overlooked certain wording of the amendment. I call his attention to lines 10, 11, and 12, on page 2, from which I think it is quite clear that the 15 percent, which is the maximum which can be kept out of production, is of the acreage of cropland, and not necessarily of the acreage of a particular basic crop. Instead, it is of all of the cropland.

Mr. ELLENDER. If I said otherwise, I was in error. Of course I meant any cropland tilled regularly.

Mr. HOLLAND. In other words, the amendment does not force any reduction at all in the acreage of any basic crop.

Mr. ELLENDER. No; but it treats the producers of basics in the same manner as we treated the producers of grain sorghum, barley, oats, and rye, with respect to which there have been no acreage allotments, and where the farmers have enjoyed unrestricted planting privileges. The Senator from Florida well knows that in the case of the corn growers, compliance with acreage allotments is on a purely voluntary basis, and no penalties are attached. If the corn farmer fails to comply with his acreage

allotment, the only thing he loses is the privilege of placing his crop under price-support loan. In the case of the other basics, he would also have to pay marketing penalties.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. HOLLAND. The purpose of the Senator from Florida is to make it very clear that the producers of supported crops which do not have acreage allotments and are not subject to mandatory price support are not going to be subjected to having their acreage menaced by the competition of acres that are diverted from the production of basic crops. It seems to me that purpose has already been carried out in its application to corn and to the four small-grain crops; and in order to enable the doing of justice in conference, this amendment should by all means be accepted.

Mr. ELLENDER. Mr. President, I return to the proposition that it is our desire, as I understand it, to make this program a purely voluntary one; and it is far removed from the cross-compliance that my good friend, the Senator from South Dakota, had in mind when he asked his question of the Senator from Florida. It has no connection with it.

Let me point out that what the acreage reserve phase of the soil-bank plan seeks to do is to take out of cultivation from 12 million to 15 million acres of wheatland—that is, allotted acres—so as to relieve and not further aggravate our surplus in wheat. It seeks to take out of production 3 million acres of cottonland, so as to reduce the surplus of cotton. Let me make it plain that on these diverted acres a farmer is prohibited from growing any kind of crop from which he can obtain a dime's worth of revenue. He cannot graze cattle on those acres; he cannot harvest hay off those acres. They must remain out of circulation, so to speak, insofar as any kind of agricultural production is concerned.

When we come to the conservation reserve program in that operation, cultivated acres are also set aside, and the farmer is entitled to payments on those acres. The payments would be far less than he would receive under the acreage reserve program. He cannot pasture that land either, except under certain disaster conditions prescribed in the bill.

But this amendment would say to a farmer who plants cotton or wheat or peanuts or any of the other basics, "You must devote cultivated acreage equivalent to up to 15 percent of your cropland devoted to price-supported crops, to either the acreage reserve or conservation reserve program, and, unless you do that, you are not eligible for price supports."

Mr. YOUNG. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. YOUNG. Is it not true that the amendment affecting oats, barley, rye, and sorghum, providing support prices for them of 95 percent of the corn price-support level, is not to be effective until next year?

Mr. ELLENDER. That is my recollection.

Mr. YOUNG. Is it not also true that, as the bill is now written, dairy commodities get 80 percent supports, and will have no controls whatever?

Mr. ELLENDER. That is correct.

Mr. YOUNG. But now it is proposed to impose still further upon the wheat farmer.

The PRESIDING OFFICER. The time of the Senator from Louisiana has again expired.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for an additional 5 minutes.

Mr. YOUNG. Now it is proposed that still further restrictions be imposed upon the wheat farmer, and that he must reduce or cut his acreage one-third. In addition, his price was cut nearly one-third; and he cannot plant anything on those acres.

Mr. ELLENDER. That is correct.

To make himself eligible for price supports, he would have to participate in either the acreage reserve or conservation reserve programs.

This amendment will also prohibit any soil bank payment if the acreage devoted to price-support crops, other than tungnuts, on any farm controlled by the producer exceeds the average acreage devoted to such crops in the immediately preceding 5 years; the amendment provides, however, that the Secretary can by regulation modify or make exceptions to this rule.

Mr. President, I should like to call attention also to the fact that the pending amendment will be particularly difficult to administer, since the Department of Agriculture does not have adequate data on the acreage devoted to price-supported nonbasic crops during the past 5 years. That is one of the major difficulties that would develop if the amendment were to be adopted.

As I suggested to the Senator from Florida, as chairman of the Committee, I would be willing to accept and to take to conference, a modification of the amendment requiring, in the case of all crops, that they be on the same basis as barley, rye, oats, and grain sorghum, provided we exempt producers of the basic crops, since they already have been cut to the bone.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. MUNDT. The Senator from Florida refers to the fact that corn does have this mandatory 15 percentage cut-back provision, which I wish were not in the bill, and which I voted for with great reluctance; but the reason why it is in the bill is that the bill increases the acreage of corn, rather than reduces it as in the case of wheat.

Mr. ELLENDER. The Senator from South Dakota means from the allotted acreage, does he not?

Mr. MUNDT. Yes. I wish to say that the committee threshed this out, and seriously considered whether it should be a voluntary provision, from the very beginning, when the bill first came up. It was overwhelmingly—I

shall not say unanimously—the consensus of opinion in the committee that we should institute this new program on a voluntary basis.

There were two good reasons for that, in addition to what the chairman of the committee has said. One of those reasons was that this is a new program which, whenever it is imposed, will be imposed in the middle of someone's crop year; and it is a good idea, when we begin with a new program, to let those who wish to cooperate on a voluntary basis do so, and to build up some experience with the program before we try to coerce people on a mandatory basis.

The second reason is in my opinion even more important. We felt, and I still feel, and I believe the chairman does, that on a strictly voluntary basis there will be a greater inducement for the Department of Agriculture to make the program increasingly attractive to the farmers, by giving them a little better rental for their acres than would be necessary or probable or certainly realistically true if there were a compulsory program.

So it seems to me that there are two very attractive reasons for trying the program for several years on a voluntary basis. Then, if problems grow out of that type of operation as the Senator from Florida anticipates may be the case, there would be time to tighten it up and put in some coercive or compulsory features, if necessary. Personally, I do not think they will ever be necessary.

Mr. ELLENDER. The Senator from South Dakota will recall that I sought in committee to make the acreage reserve program compulsory and mandatory after 1956.

Mr. MUNDT. That is correct.

Mr. ELLENDER. But after talking to the Secretary of Agriculture and to his Assistant Secretary and others in the Department, I changed my mind about it.

Mr. MUNDT. That is correct.

Mr. ELLENDER. The committee decided that it would be impractical to force participation in either phase of the soil bank program. As the Senator from South Dakota has just stated, we said, "Let us try it a while" on a purely voluntary basis.

Mr. MUNDT. That is correct.

Mr. ELLENDER. In the end, I voted to make it strictly voluntary.

Mr. MUNDT. I may say that I think all members of the committee changed their minds several times on a great many issues, during the course of the very complicated hearings and in our efforts to develop a workable bill which the majority of the committee would approve.

Mr. ELLENDER. We had decided, if the Senator will recall—

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. ELLENDER. Mr. President, how much more time have I?

The PRESIDING OFFICER. The Senator from Louisiana has 10 minutes.

Mr. ELLENDER. I yield myself 3 more minutes.

When we heard testimony from the Secretary and his assistants to the effect that they could get more acres in the program by making it voluntary, all of us changed our minds.

Mr. MUNDT. Exactly.

Mr. ELLENDER. When the Senator from New Mexico [Mr. ANDERSON] proposed the farm bureau amendment, which sought to put into the bill the very proposal which the Senator from Florida is seeking to put into it, in a modified form, I do not believe there were more than 1 or 2 Senators—perhaps 3—who voted to accept the farm bureau proposal.

Mr. MUNDT. I do not think there were more than three.

Mr. ELLENDER. We again stated emphatically that we were going to make the soil-bank program voluntary for the first year.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. I understand the distinction which the chairman has made with respect to cross-compliance, because I think that referred to payments for soil-conservation practices, as well as for limitation of acres. Would I interpret the amendment correctly if I suggested that it would make mandatory a multiple-compliance?

Mr. ELLENDER. For price supports.

Mr. CASE of South Dakota. For price supports.

Mr. ELLENDER. Yes. As I told the Senator from Florida, we have no objection to placing other price-supported crops in the same category as we have placed barley, oats, rye, and sorghum. However, as I indicated a while ago, the Department of Agriculture does not have adequate acreage data with respect to these other price-supported crops, such as soybeans.

Mr. CASE of South Dakota. If I correctly understand, the amendment would compel anyone who wanted to have price supports come into the program on every crop.

Mr. ELLENDER. Exactly. He would have to put in the program the equivalent of at least 15 percent of his acreage devoted to price supported crops. Otherwise he would lose his eligibility for price supports.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I realize that the Senator does not wish to have an incorrect impression left in the RECORD.

Mr. ELLENDER. Certainly not.

Mr. HOLLAND. This amendment does not require a mandatory reduction. It simply requires, as a condition, that the total acreage planted to price-supported crops may not exceed the average which has been planted for the past 5 years.

Mr. ELLENDER. Yes.

Mr. HOLLAND. I noted the statement made by one of the other Senators in the colloquy, to the effect that the corn and small grain crop program was to begin in 1957. It begins in 1956.

Mr. ELLENDER. With respect to corn, it is mandatory in 1956.

Mr. HOLLAND. Is it not true that with reference to corn and all the small grain crops, mandatory price support is applied?

Mr. ELLENDER. When they are hitched to the price of corn.

Mr. HOLLAND. The Senator from Florida was not willing to create more mandatory price-supported crops.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from Louisiana has 7 minutes.

Mr. ELLENDER. I yield myself 2 more minutes.

I wish to make it plain again to the Senate that if this amendment is adopted it will force producers of the basic crops to put the equivalent of at least 15 percent of their price-supported cropland into either the soil bank; and unless they do so, they will be denied support payments.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. ELLENDER. I wish to reiterate also that the soil program as now written, requires that all the acres that will be used in the conservation reserve, as well as in the acreage reserve program, must be taken out of production. They cannot be used in order to grow any crops in competition with other crops. Those acres must stand by themselves, and the owner of the land cannot receive payment on them unless he complies with the regulations established by the Secretary of Agriculture. So what the program really means is that we shall have in the program probably 15 million acres, or perhaps more than that, if the corn producers come in with 3 or 4 million acres. We can expect to have at least 18 million allotted acres taken out of cultivation; and on those acres nothing can be grown that will come in competition with any other crop. As to the conservation reserve acres, which may amount to 25 million or 30 million acres, on those acres no crops can be grown to compete with other crops. They cannot be pastured, except under certain conditions written into the bill.

Mr. MUNDT. Mr. President, will the Senator yield 2 minutes to me?

Mr. ELLENDER. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 5 more minutes.

Mr. ELLENDER. I yield 2 minutes to the distinguished Senator from South Dakota.

Mr. MUNDT. Mr. President, I should like to invite the attention of Members of the Senate who are present, and of administrative assistants who are present, who will talk with Members when they come to the Chamber, as well as of anyone else who may receive this information directly or indirectly. Since we have only a few Senators on the floor to hear this debate, that if we adopt the Holland amendment, we shall be changing the entire basic philosophy of the bill, from one of voluntary cooperation to some kind of coercion or compulsion.

To me it is always difficult to associate the good American concept with that kind of approach; but knowing the sponsor of the amendment as I do, I know that I cannot say that there is anything wrong with it, except that I do not like the kind of Americanism which requires a man to do something against his will, especially if he is a farmer desiring to operate his farm in accordance with his own judgment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. I ask the Senator if he did not strongly support the amendment for corn for the lesser grains, which does for those grains—

Mr. MUNDT. I answered that question 10 minutes before the Senator asked it. I said that I reluctantly supported the amendment with respect to corn because compulsion for the corn farmer was in the amendment. In order to get anything at all done for corn at that stage, the 90 percent price supports having been defeated, I voted for the amendment.

The bill we now have before us follows the approach of placing a carrot in front of a horse's nose to induce him to move forward. The Holland amendment uses the approach of digging the spurs into the flanks of the horse to make him do something he may not wish to do.

I think we are on sound ground when we adopt a program on a voluntary basis, and require the administration and the Department of Agriculture to make the program so attractive that farmers will desire to cooperate.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

The Senator from Louisiana has 3 minutes remaining. To whom does the Senator yield?

Mr. ELLENDER. Mr. President, how much time is left?

The PRESIDING OFFICER. The Senator from Florida has no time. The Senator from Louisiana has 3 minutes.

Mr. ELLENDER. I yield back my 3 minutes.

Mr. HICKENLOOPER. Mr. President, I offer an amendment to strike out lines 17 through 23, on page 2 of the Holland amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The CHIEF CLERK. On page 2 of the Holland amendment, it is proposed to strike out lines 17 through 23, inclusive.

Mr. HICKENLOOPER. Frankly, Mr. President, I intend to withdraw my amendment in a few moments. However, I found that I was caught with no time on the side of the proponents of the amendment of the Senator from Florida.

I do not mean to foreclose any Senator from asking questions. I think the amendment of the Senator from Florida is utterly sound.

There is no question in my mind at all but that the evils from which we have been suffering have been caused by the fact that we have not had mandatory cross compliance in the past. We have required under the quota systems or otherwise the taking of certain crop land

out of production, and we have permitted lands that have been taken out of production to produce crops in direct competition with the crops that have been reduced.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. For example, we have taken corn land out of production and put it into the production of soybeans or perhaps sorghums.

I yield to the Senator from Louisiana.

Mr. ELLENDER. The Senator heard me say a short time ago that the soil bank as we now have it constituted will prevent such practices, and that all allotted acres that are set aside cannot be utilized to put any crops in competition, and that applies also to conservation reserve acres. If we have 45 million acres in the soil bank that will be quite a few acres. The reduction should bring about a substantial decrease in production. I have not been able to find anything in the amendment which has anything at all to do with cross-compliance that the Senator from Iowa is talking about.

Mr. HICKENLOOPER. It has this to do with the theory of cross compliance, that it puts in the requirement that a person who becomes eligible for price support must stay within the base, and then he must put the equivalent of 15 percent of those price-supported acres into the soil bank in one way or another. That theory is in the amendment which deals with corn, which we adopted a week or so ago.

Personally, I think it is a fair amendment. In order to make available to the farmer price supports, I see nothing wrong with saying to him, "You must contribute something to the soil bank."

The amendment offered by the Senator from Florida recognizes the fact that marketing quotas have been voted on such crops as cotton and wheat, and the farmers are not required under that provision to come into the soil bank this year while the marketing quotas are in effect, but does after this year's crop; and as a condition for them to enjoy price supports, they ought to be required or they would be required to put something into the soil bank, according to the factor that is set out in the Senator's amendment. I think it is only fair.

Certainly the voluntary theory and the requirement theory were argued in committee. We discussed it at some length. One of the reasons that the theory of the bill as it came out of committee was left voluntary was that with respect to at least some of the crops quotas had been voted, and the terms under which those quotas had been voted did not include a requirement that a certain percentage of land be put into the soil bank.

The committee thought that it should not change the rules of the game while the runner was between second and third base. Therefore, the committee felt that there should not be mandatory requirements for crops which are now under quotas that have been voted this year. However, thereafter, the theory was put into the corn amendment, and such a requirement was put into the corn

amendment. It was perfectly sound procedure to do so.

The fact is that the small-grain amendment, which was attached to the corn amendment, goes even further, and it provides that with respect to such grains as grain sorghums and barley and so on, farmers must put in 15 percent of the acres heretofore devoted to these particular crops.

The Senator's amendment does not say that, as I understand the amendment. It says that a percentage of the tillable acres must be put in. It does not require that a percentage of the crops under price support be put in, but the tillable acres. Perhaps under a voluntary basis the Secretary will have to raise the price so high it might even be out of reason. On a requirement basis the Secretary under the formulas which have been discussed and which would be in effect, would establish a fair and adequate and satisfactory price for the acres put into the soil bank.

I believe the Senator's amendment is a sound amendment, and I shall support it. It does not affect cotton. It does not affect the quota for this year. Farmers can come in or stay out if they want to, but it will hereafter affect those crops that enjoy price supports, by requiring that farmers contribute, for a reasonable compensation requirement, at least a fixed percentage of their tillable acres into the soil bank program.

Mr. President, we must attack the problem, not by treating symptoms, as so many of the amendments do that have been proposed, and some of which unfortunately have been adopted, but on the basis of treating the disease itself, and on the basis of getting to the heart of the problem, which is surpluses. We can take various commodities and say any one of them would not be in surplus, however, the entire agricultural production is in surplus, and we must therefore attack the problem in such a way that we will be treating the disease, instead of symptoms.

I congratulate the Senator from Florida for the amendment. He knows that in the past I have agreed with the theory. I hope his amendment will be adopted. It is a sound approach to curing the disease in agriculture from which we are suffering, and it is not a superficial treatment of the symptoms. I hope his amendment will be adopted.

Mr. HOLLAND. I thank the Senator. I hope he will yield me 3 minutes before he concludes his remarks.

Mr. HICKENLOOPER. I yield the Senator 3 minutes.

Mr. HOLLAND. Mr. President, I wish to call attention to one fundamental fallacy in the approach to this subject by the distinguished Senator from Louisiana [Mr. ELLENDER]. Of course he is correct in his oft-repeated statement that the acreage which comes into the acreage reserve or conservation reserve cannot be diverted. The place wherein he fails to put anything of substance into his bill is in his failure to give any assurance that there will be any large participation in the acreage reserve or in the conservation reserve program. The purpose of the pending amendment is to

insure that on an equitable basis, as between the producers and the commodities, there will be a substantial participation in both soil bank activities.

Without some such approach, the Senator from Florida fears we will find that the soil bank will be a weak approach to the problem. If we are sincere in our desire to clear up the surpluses, the Senate ought to adopt a program which will assure enough acreage coming into the soil bank program on a sufficient and equitable basis, to make some headway toward cutting down production and relieving us from the overhanging menace of these constant surpluses.

Mr. ELLENDER. Mr. President, will the Senator from Iowa yield me 1 minute to reply to the Senator from Florida?

Mr. HICKENLOOPER. I am glad to yield to the Senator for that purpose.

Mr. ELLENDER. Is it not correct to say that when Under Secretary Morse and Secretary Benson appeared before our committee they were desirous of having the soil-bank program placed on a purely voluntary basis?

Mr. HOLLAND. The Senator is completely correct. However, I wish to call the attention of the Senator to the fact that the Senate has departed from that approach by voting into the bill amendments affecting corn and the four small grains which do have a compulsory effect in those 5 fields.

It seems to the Senator from Florida that unless similar action is taken at this time the conferees will sit down with hands tied and will not possibly be able to do justice among all the facets of the far-spreading American agriculture.

Mr. HICKENLOOPER. Mr. President, I yield 3 minutes to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, last week the Senator from Iowa and I were confronted with a problem in the Middle West which seems to have a good deal of substance. I think the matter is resolved, but it ties in very directly with the discussion today, because the problem has reference to an adjustment of acres downward so that the pressure can be lessened. Of course, Mr. President, it becomes a question of incentive. How are we to get farmers to reduce their acreage? Do we compel them, or do we lure them? That is a peculiar problem in connection with high-priced land in Iowa, Illinois, and elsewhere, where there is land worth \$500 or \$600 an acre. We have to figure the investment cost. We figure all that goes into it, as well as very high taxes. It is obvious that unless the farmer goes into the acreage reserve he could scarcely hope to surrender his acres to the conservation reserve where the return would not exceed \$15 an acre.

So I wish to make this statement for the RECORD, that in determining the payments for the conservation reserve, which, of course, will be infinitely smaller than those in the acreage reserve, the Secretary should keep in mind the value of the land. There is quite a difference between putting up an acre worth \$600 and an acre worth \$100, when

we think of taxation. The value should be kept in mind. He should also keep in mind the cash rentals which obtain in certain areas of the country. For instance, the rental of an acre may be \$15 in one place and \$5 in another place. That is something which the Secretary must keep in mind when he establishes the level of payment in connection with the conservation reserve. There are also other factors. In so doing, it will be possible for a farmer on high-priced land not only to surrender some of the acres heretofore devoted to basic crops, but also acres on which he has sown barley, oats, soybeans, and other crops which are quite common to the Corn Belt.

The only purpose in taking this time, Mr. President, is to make sure that it is noted in the RECORD so that the Secretary of Agriculture can at least give attention to it and take cognizance of it, because I believe it is a problem with which we in the Middle Western area must live.

Mr. HICKENLOOPER. Mr. President, I am prepared to withdraw my amendment. I do not wish to pull the rug out from under anyone, but I am prepared to withdraw it, unless some Senator has questions he would care to ask or unless the Senator from Louisiana cares to use any time.

Mr. ELLENDER. I have said all that I desired to say. If someone else desires to be heard, I am willing to yield.

Mr. HICKENLOOPER. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Jackson	Robertson
Byrd	Jenner	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Lehman	Thurmond
Douglas	Long	Thye
Duff	Magnuson	Watkins
Dworshak	Malone	Welker
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Young
Flanders	McCarthy	
Frear	McClellan	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Florida.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent and, if present and voting, he would vote "yea." The Senator from New York [Mr. IVES] is absent because of illness, and if present and voting, he would vote "yea."

The result was announced—yeas 48, nays 46, as follows:

YEAS—48

Aiken	Douglas	McCarthy
Allott	Duff	Millikin
Anderson	Dworshak	Morse
Barrett	Flanders	Pastore
Beall	Frear	Payne
Bender	Goldwater	Potter
Bennett	Gore	Robertson
Bricker	Green	Saltonstall
Bridges	Hickenlooper	Smathers
Bush	Holland	Smith, Maine
Butler	Hruska	Smith, N. J.
Byrd	Kennedy	Thye
Case, N. J.	Kuchel	Watkins
Cotton	Malone	Welker
Curtis	Martin, Iowa	Wiley
Dirksen	Martin, Pa.	Williams

NAYS—46

Barkley	Humphrey	Monroney
Bible	Jackson	Mundt
Capehart	Jenner	Murray
Carlson	Johnson, Tex.	Neely
Case, S. Dak.	Johnston, S. C.	Neuberger
Chavez	Kefauver	O'Mahoney
Clements	Kerr	Russell
Daniel	Knowland	Schoeppel
Eastland	Laird	Scott
Ellender	Langer	Sparkman
Ervin	Lehman	Stennis
Fulbright	Long	Symington
George	Magnuson	Thurmond
Hayden	Mansfield	Young
Hennings	McClellan	
Hill	McNamara	

NOT VOTING—2

Ives Purtell

So Mr. HOLLAND's amendment was agreed to.

Mr. HOLLAND. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HICKENLOOPER. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. CHAVEZ. Mr. President, I call up my amendment identified as "3-6-56-F."

The PRESIDING OFFICER. The amendment of the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 36, between lines 14 and 15, it is proposed to insert the following:

VIRGINIA AND VALENCIA TYPE PEANUTS

SEC. 406. Section 358 (c) (2) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the second sentence thereof a new sentence as follows: "In any State in which the acreage devoted to the production of Virginia or Valencia type peanuts for 1956 or any subsequent year is less than ten thousand acres, the Secretary shall increase the acreage allotment of such State for such year by 50 percent, if there is filed with the Secretary by processors within such State a written statement of their intention to purchase the peanuts produced on such additional acreage at not less than the parity price

thereof, such statements for years subsequent to 1956 to be filed prior to the announcement by the Secretary of the national marketing quotas for such years."

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 30 minutes, or so much thereof as he may desire to use.

Mr. FLANDERS. Mr. President, will the Senator from New Mexico yield 10 seconds to me?

Mr. CHAVEZ. I yield, provided I do not thereby lose the floor.

The PRESIDING OFFICER. The Senator from New Mexico can yield for a question without losing the floor.

Mr. FLANDERS. I wish to suggest that whenever the clerk reads an amendment, he first state in a clear voice the date and the letter.

The PRESIDING OFFICER. That is not a bad suggestion. [Laughter.]

Mr. CHAVEZ. Mr. President, of course I wish to address myself to the Senate as a whole; but I am particularly glad that my good friend, the Senator from Georgia, and my good friend, the Senator from Virginia, are now in the Chamber, because I am going to discuss peanuts.

Mr. President, it is somewhat ironic that in the midst of a debate about agricultural surpluses and what to do with them, I should be offering an amendment to break the Secretary of Agriculture's barrier in the farm field and try to meet a real demand.

We have heard a great deal about surplus foodstuffs, and we are badgered with questions about what to do with them. The Secretary wants not only lowered supports, but also reduced acreage. This amendment, Mr. President, would demand that the Secretary release his administrative stranglehold and allow an increase where there is a ready market for peanuts of the Valencia type.

The Secretary granted a 14.5 percent peanut acreage increase this year, and treated everyone just alike, percentage-wise. But we want to meet the local market, and to guarantee it. At one time we had 12,000 acres of these peanuts in New Mexico. Today, with the increase announced February 21, we have 5,388 acres. We got 482 acres, when the State was demanding 2,500 acres.

The amendment would affect—and I call this matter particularly to the attention of the Senators from the States I shall now name—only the States of Arizona, Arkansas, California, Louisiana, Mississippi, Missouri, New Mexico, and Tennessee. It might not affect all of these; but at least these represent the possibilities, since each of these States has less than the 10,000-acre provisional figure contained in the amendment.

The amendment is quite simple. It recognizes the fact that users of the Virginia and Valencia type peanuts are unable to supply the market within the United States, and the fact that the processors notified the Department of Agriculture that unless additional acreage was to be had, importations would be necessary. Unless the amendment is adopted, it will be necessary to import edible peanuts.

We in New Mexico want another 2,500 acres of Valencia type peanuts. The New Mexico Valencia peanuts have never cost the Government one red cent, and they will not now. The amendment directs the Secretary to increase the State quota by 50 percent where a State has less than 10,000 acres, and provides for the sale without Government aid. It provides that to get this 50 percent increase the processors within that particular State must file with the Secretary, before any such increase is approved, a written declaration to buy the production from the added acreage at not less than parity. Such a procedure would be required each and every year thereafter, in order to maintain the acreage. In other words, the processors will either guarantee to buy the peanuts, or there will not be any peanuts planted on the added acreage.

We have 3 peanut processing plants in New Mexico, and 90 percent of the production is bought by these 3 plants. Usually the peanut supply in New Mexico is exhausted by December of each year, which means that peanuts of the Valencia type have been available only 2 to 2½ months out of the year.

I realize that what I propose is out of the ordinary. Secretary Benson is asking for reduced acreage on crops because the farmers, the Secretary, and the markets cannot buy all the crops now being produced. I am asking for more acreage because we can sell more these peanuts. If we cannot sell them, we do not get the increased acreage. I think that is fair and just.

Mr. President, I am willing to let the Senate decide for itself on this amendment.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield for a few questions?

Mr. CHAVEZ. I yield.

Mr. ELLENDER. As I understand the amendment, it would require an increase of as much as 50 percent in peanut acreage allotments to any State in which the acreage devoted to Virginia- or Valencia-type peanuts is less than 10,000 acres.

Mr. CHAVEZ. That is correct.

Mr. ELLENDER. The Senator from New Mexico has mentioned the States to which the amendment would apply. Does he interpret his amendment as meaning that as to the 50-percent increase, in acreage allotments the farmers in those States would be bound to plant Virginia- or Valencia-type peanuts or could they plant any type of peanut they might desire?

Mr. CHAVEZ. No; the amendment relates only to Virginia- or Valencia-type peanuts.

Mr. ELLENDER. The Senator's amendment is not very clear on that point, as I understand it. But that is the Senator's intention; is it not?

Mr. CHAVEZ. Not only is it the intention, but such peanuts are the only ones grown in New Mexico.

Mr. ELLENDER. I so understand. But perhaps in some of the States the Senator from New Mexico has mentioned, peanuts other than Virginia- or Valencia-type peanuts are grown.

Mr. CHAVEZ. No. As I understand, if States which have less than 10,000 acres could grow any other kind of peanuts they would not have less than 10,000 acres. They would have more.

Mr. ELLENDER. I should like to make certain that the amendment would do what the Senator proposes; that is, in all States where the acreage is less than 10,000 acres, they will be able to obtain a 50-percent increase in acreage of Valencia- or Virginia-type peanuts?

Mr. CHAVEZ. That is correct. That is my intention.

Mr. ELLENDER. And no other type or types of peanuts could be planted on that increased acreage?

Mr. CHAVEZ. That is correct.

Mr. ELLENDER. Is that the intention of the Senator from New Mexico?

Mr. CHAVEZ. That is correct.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield 5 minutes to me?

Mr. ELLENDER. I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, this amendment provides a special dispensation for a State which has less than 10,000 acres of Virginia or Valencia type peanuts. It requires that the acreage allotment be increased by 50 percent. There has been a good market for this type of peanuts. It has been necessary to increase the acreage for 1956. Substantial increases have been given to the States producing this type of peanuts, which at the present time is selling for about \$50 a ton over the support price.

However, the increase has been given according to the acreage commonly produced in the State. Virginia has had a 15 percent increase. North Carolina has had an increase. Texas has had an increase. I presume other States have had increases. The State of New Mexico has also had an increase.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. AIKEN. I merely wish to point out that if this amendment is adopted and an increase of 3 or 4 thousand acres were given to one State which had less than 10,000 acres, that increased acreage would have to come from the other States.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CHAVEZ. My State asked for an increase of 2,500 acres this year. We got an increase of about 460 acres, not 2,500. What I had in mind by this amendment was to cure that inequality.

Mr. AIKEN. I realize that. I think, however, the State of New Mexico got a percentage increase comparable with that given to Virginia, Texas, Louisiana, and other States which grow this type of peanuts.

I can understand that a State wants to produce more of a crop which pays well, as the Virginia or Valencia type of peanuts has been doing during the past 2 years, and presumably will do for some time in the future.

Mr. CHAVEZ. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. CHAVEZ. Let me say to my good friend from Vermont that unless we can sell the peanuts we will not get the additional acreage. Unless we prove to the Secretary of Agriculture that we can sell them, we will not get additional acreage; and it would not cost the Government one cent to carry out the program. All we want is a little increase in acreage.

Mr. AIKEN. I presume price supports on Virginia or Valencia-type peanuts have the effect of holding the price down, rather than holding it up. If the States of North Carolina and Virginia has no objection to reducing their acreage in order to help other States which have less than 10,000 acres, it certainly should not make any difference to me. I have raised very few peanuts in my life. All I could ever grow was shells.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back the remainder of his time?

Mr. CHAVEZ. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, the committee did not have an opportunity to examine this amendment very closely, but the intention of the Senator from New Mexico is to confine the planting of this additional acreage to Virginia or Valencia-type peanuts. That being true, I am willing to take the amendment to conference and see what can be done with it.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was agreed to.

Mr. JENNER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Indiana will be stated.

The LEGISLATIVE CLERK. On page 4, between lines 22 and 23, it is proposed to insert the following:

LIGHTWEIGHT CATTLE AND HOGS

SEC. 106. (a) In order to encourage the marketing of hogs at lighter than normal weights, the Secretary of Agriculture is authorized and directed, in accordance with such regulations as he may prescribe, to make incentive payments to producers who market cattle and hogs at lighter than normal weights.

(b) Such payments shall be made from funds appropriated by section 32 of Public Law 320, 74th Congress (49 Stat. 774; 7 U. S. C. 612c), as amended, and shall be in such amounts as may be determined by the Secretary to be necessary to carry out the purpose of this section.

On page 4, line 24, strike out "107" and insert "108."

Mr. JENNER. Mr. President, within recent years, Congress has had before it legislation of worldwide importance.

Our decisions have literally affected the fate of the world.

I believe that the farm bill before us today falls within that category. It becomes a question of world importance because it affects the very survival of our economic and political system.

Freedom, Mr. President, in any nation depends upon the equality of opportu-

nity which is available to all citizens, whether they toil in teeming cities or on our fertile farms. Without such equality, the nation will perish and, with it, the last bulwark of freedom in the world.

We have devoted much attention to bolstering economies all over the world; it is now high time we gave at least equal attention to laying a firm foundation for the agricultural economy in our country.

No one can longer maintain the fiction that the farmers of America are well-off today. No one can logically argue that there is equality of economic opportunity on the farm and in industry. There has been a nearly disastrous drop in the income of American farmers.

Since 1951, \$5 billion has been cut from the net income of farmers, and the drop is still continuing today.

To put it another way, today, the farmer receives only 38 cents of the consumers' dollar, whereas his share 10 years ago was 52 cents. There has been no comparable reduction in the farmer's workload or his production.

The nine point 4-percent decrease in gross farm income from 1947 to 1955, for example, was accompanied by an increase of 12 percent in production.

To make this burden on the farmer unbearable, the remainder of the economy has been blooming and his fellow citizens in other walks of life have seen their living standards increase and their incomes grow apace with the growing industrial strength of the Nation.

In the past 10 years—while the farm share of the consumer dollar was dropping more than 23 percent, the national income from nonagricultural production went up 68 percent.

All these figures come into sharp focus when we see what has happened to the so-called parity ratio, that is to say, the ratio of the cost of things the farmer buys compared to the things he sells.

In October 1946, the parity ratio stood at 123, but in January of this year, it had avalanched to only 80. All this happened, Mr. President, in a period of unparalleled industrial prosperity and undreamed of national income.

The parallel to the trend of farm prices in those prosperous days before the 1929 depression is too glaring to need explaining.

It is imperative that we now take action which will reverse the fall in farm prices and restore farm purchasing power to a level comparatively equal with that of industrial wage earners.

It is argued that the major share of the price drop has come under the previous administration and its farm program.

That is, of course, true, but the drop has continued at an excessive rate since 1953.

As the Senator from South Carolina [Mr. JOHNSTON] pointed out, the drop since 1953 has amounted to more than \$3 billion, or a fourth of the total national farm income.

Aside from the chronologic occurrence of the farm price drop, we have a present responsibility to do something about it.

Perhaps my colleagues on this side of the aisle will recall the solemn promise that we made in the election campaign of 1952, to do something affirmative to raise farm prices.

It was our Republican platform of 1952 that proclaimed:

The good earth is the food storehouse for future generations.

The tending of the soil is a sacred responsibility.

Any program that will benefit the farmers must serve the national welfare. * * *

We favor a farm program aimed at full parity prices for all farm products in the market place. * * *

The Republican Party will create conditions providing for farm prosperity and stability.

Far from enjoying that promised prosperity, the farmers of America are suffering a serious economic depression.

I believe that we must do everything possible to fulfill that promise of 4 years ago to restore farm prosperity.

The farm bill before us has undergone many modifications.

Some of the changes will undoubtedly help us to solve the overall farm situation.

We are uncertain about the effect of some others.

It is important, however, that we come quickly to the end of our work so that steps can be taken to solve the emergency situation.

It is the emergency situation that we are trying to solve.

I am grateful that the Senate saw fit to adopt three amendments which I submitted or cosponsored.

These will, I believe, help us realize the intent of the farm bill to help preserve family-type farms.

We cannot overemphasize the importance of family farms.

The very strength of our Nation rests on a sound agriculture and an agricultural population that has a chance to earn a decent American living standard.

Let me say, at this time, however, that there are serious long-range implications to both the farm situation and the farm legislation, which the Congress has not considered fully in the present discussion.

It is my intention to speak further on that subject in the very near future, because, I believe that only by a complete reorientation of our farm program philosophy are we going to solve a farm situation that has been with us in every peacetime year for a quarter of a century.

At that time, I intend to propose some broad considerations to the Senate which will give us the opportunity to make a legislative inquiry and legislative decisions geared to the long pull.

Only by such long-range consideration can we, I believe, solve the long-term needs of American agriculture.

While we think of long-range problems, we might well devote some thought, at this time, to the question of the existing surpluses.

Is it all bad?

The answer is "No."

In some basic commodities, such as corn, the actual surplus is very small, perhaps as little as a 90-day supply.

In others, such as wheat, it is comparatively large.

But we must look toward the future.

One year of bad weather in the areas growing such commodities will not only wipe out the surpluses, but make us glad that we had them in the first place.

It is well for use to remember the Biblical prophecy of the 7 lean years and the 7 fat years.

Furthermore, we are constantly told that the United States is faced with the possibility of all-out war at the whim of the Kremlin.

Suppose such a war does come.

These abhorred surpluses of today will feed our Nation and possibly make the difference between death or survival.

A judicious program of surplus retention for the future, together with a more active marketing program, will go far to solve the current production situation.

I sometimes wonder, Mr. President, why there is so much panic about the farm surpluses.

After all, we have surpluses in many other fields and we hardly hear anything about it.

The surpluses in military equipment alone, amounts to many hundreds of millions of dollars.

In my own State of Indiana, we recently found nearly \$1 million worth of surplus saddles, troughs and harnesses for horse-drawn vehicles stored since the Spanish-American War.

Then how about the surplus 80-mile pipeline built by the United States in North Africa.

It is surplus because it leads nowhere, it just lies there.

The Army alone, we are told, has stored up goods of various kinds, amounting to \$30 billion, much of which, according to the Deputy Assistant Secretary of the Army, is "pretty useless."

If we can afford this wasteful expenditure of tax money to accumulate "pretty useless" surpluses, we can certainly take a less frightened view of surplus food stocks which may well save our Nation in the future.

Mr. President, the detailed facts on the farm situation—the rows of figures, the legal analyses, and the numerous examples—have been presented to the Senate by others.

I do not wish to repeat the truths that they have already spoken.

It is only necessary to remember that what they have told us, speaks eloquently of the plight of the American farmer, of the potential disaster for the Nation that lies in an inadequate solution of the farm price problem.

As I have said, I intend to take up the subject at greater length in the near future.

I withdraw my amendment.

The PRESIDING OFFICER. The Senator withdraws his amendment.

Mr. MURRAY. Mr. President, I move that the Senate reconsider the vote by which amendment designated "2-29-56-A" offered by the senior Senator from Oregon [Mr. MORSE], which was rejected on last Thursday in my absence, be reconsidered.

Mr. KNOWLAND. Mr. President, is this with reference to the so-called Morse amendment?

Mr. MURRAY. That is correct.

Mr. KNOWLAND. Mr. President, I wish to preserve the parliamentary situation. At a later point I may wish to move to lay the motion on the table. However, I do not wish to foreclose the Senator from making his statement.

Mr. MURRAY. Mr. President, last Thursday night after 10 o'clock, during my absence from the floor of the Senate, the Senate took under consideration the amendment to the farm bill, designated as "2-29-56-A." I was one of the co-sponsors of the amendment. I was necessarily absent at the time this amendment was taken up. I left the floor of the Senate shortly after 9:30 Thursday evening to attend to some personal matters.

At that time, I was under the impression that no yeas-and-nays votes were to be taken that late at night. I was deeply concerned when I learned that the amendment had been rejected by a margin of one vote at that late hour.

Mr. President, I am satisfied that the amendment I have just mentioned, which would strike out section 309 of the pending farm bill, represents a fair and humanitarian proposal in the best sense of the term. Section 309 of the bill would require States in which disasters have struck, to contribute 15 percent toward the cost of disaster feed and seed supplied by the Government to farmers who have suffered in such disasters. Section 309 would become effective in March 1957, but regardless of its effective date, it is the type of provision which we should not have on our statute books.

I cannot imagine a more burdensome requirement in the aftermath of disaster emergencies, such as the great floods recently experienced in New England and on the Pacific coast, then the requirement that the afflicted States should pay 15 percent of the costs of disaster feed for surviving livestock, and seed for flood-washed fields.

The anomaly of section 309 becomes apparent when we stop to recall that the United States is always in the forefront in supplying disaster relief in foreign countries. To me, it appears unthinkable that we should insist that our States pay Uncle Sam a portion of the cost for the same type of service that is supplied to stricken foreign nations gratuitously.

Mr. KNOWLAND. Mr. President, since this involves an amendment offered by the Senator from Oregon the other night, which was defeated after considerable discussion and a rollcall vote, I wonder if it would be agreeable that we have a quorum call without the time being taken out of either side. I think all Members of the Senate should be advised.

Mr. MORSE. I was just about to make the same suggestion.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that we may have a quorum call without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fear	McCarthy
Allott	Fulbright	McClellan
Anderson	George	McNamara
Barkley	Goldwater	Millikin
Barrett	Gore	Monroney
Beall	Green	Morse
Bender	Hayden	Mundt
Bennett	Hennings	Murray
Bible	Hickenlooper	Neely
Bricker	Hill	Neuberger
Bridges	Holland	O'Mahoney
Bush	Hruska	Pastore
Butler	Humphrey	Payne
Byrd	Jackson	Potter
Capehart	Jenner	Robertson
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Laird	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Montana [Mr. MURRAY] to reconsider the vote by which the amendment offered by the Senator from Oregon was rejected a few days ago.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the motion to reconsider.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, if the Senator from Montana will yield, I may say that because I do not want to foreclose a discussion of the motion to reconsider the vote by which the amendment was rejected, I do not at present intend to offer a motion to lay on the table, but the vote will come on the motion to reconsider.

The PRESIDING OFFICER. The Senator from Montana has 30 minutes.

Mr. MORSE. Mr. President, will the Senator from Montana yield 5 minutes to me?

Mr. MURRAY. I yield 5 minutes to the Senator from Oregon.

Mr. MORSE. I may say to the minority leader that I shall be very brief in my remarks. I hope we can yield back most of our time. However, I want an opportunity to speak a very few minutes so that I can give a summary of my position.

I shall recapitulate very briefly the argument I made the other night.

First, when a State has been struck with a flood, hurricane, drought, or other disaster, time is of the essence. I think it is very unfair for Congress to take the position that when we have bins bulging with surplus food, and a disaster has hit a segment of our population, the farmers who have been flooded out, hit by a hurricane, or have suffered from other acts of God, which have done disastrous damage to them, should have to wait for all the redtape, delay, and procedural, time-consuming work which would be necessary to get

the States to put up 15 percent of the cost of the seed and feed which would come from the surplus-food bins.

If a situation existed in which a State would have to call a special session of the legislature because a disaster struck when the legislature was not in session, the expense of convening the legislature would be greater than the cost of the food. Yet the farmers would be subjected to that time lost.

I do not think I speak simply as an idealist or as a sentimental humanitarian. I cannot escape what I think is a moral principle which is involved in the matter. For the life of me, I cannot square with the teaching "we are our brother's keeper" with the requirement of the bill that disaster-stricken farmers cannot obtain seed and feed unless their States put up 15 percent of the cost. It is not very charitable or moral to say to the farmer of the Nation, "We are going to hold the seed and feed back from you unless and until your State puts up 15 percent of its cost." Let us not forget that we ship overseas—and we should—great quantities of surplus food for relief and disaster purposes. I hope my country never fails to come to the rescue of distressed human beings when a great disaster hits India, Europe, or any other part of the globe, and the victims need food and seed. What do we do in those cases of disaster in foreign countries? We empty out our hearts to fellow human beings abroad, as we should. We do not ask that they put up 15 percent or a major percentage of the cost of the food and seed before we put our Christian principles to practice. I repeat what I said the other night. My amendment is applied Christianity.

Furthermore, as my third argument, when a State is struck by a disaster, it spends great sums of money, such as my own State spent in the last great flood disaster that struck Oregon in recent months, as it struck also California and certain other parts of the West. This is not a case of expenditure by the Federal Government with no expenditure by a disaster-stricken State. When a State has been hit by a disaster we should not add to its cost a 15-percent assessment for the cost of surplus grain needed for food for livestock and seed for planting.

I have a letter sent to my junior colleague by Mrs. Jean M. Wicks, who, together with her husband, operates a small 6-acre ranch, as we call them in Oregon. This appears to be primarily a little chicken ranch, a small farm of 6 acres. She tells in a heart-rending letter what the flood disaster meant to that family. They were washed out of their worldly possessions.

She lists the following:

Gone—\$2,500, shop on foundation (full of power and hand tools, building supplies, doors, windows, hard board, etc.); \$1,500 barn on foundation, also feed, \$200; \$250, chicken house with 30 hens; \$150, small buildings—brooders, smokehouse, etc.; \$150, 15 cords of firewood (last week flood took out 5 more cords); \$35 trailer; \$12, garden hose and tools; \$80, ornaments, jewelry,

small furniture; \$210, davenport and chair set; \$200, antique chest full of linen.

Mrs. Wicks continues by listing all their worldly possessions which went down the Rogue River in a disastrous flood.

Are we going to take the position, with that kind of situation multiplied many times—are we going to say to the farmers—"We are not going to make available to you the feed you need for your cattle and poultry and the rest of your livestock, unless and until the State puts up 15 percent of the cost of that feed"?

I cannot reconcile that with my heart strings. I cannot reconcile it with what my sense of justice and fair play tells me is just and right.

I think if we look upon the proposition from the standpoint of what I believe is our humanitarian duty, we cannot justify such a 15 percent assessment upon the States before they can get surplus feed and seed to relieve disaster stricken farmers.

I now wish to answer the last argument which was made the other night, an argument which reflects upon the States, to the effect that the States will ask for more feed and seed than they are entitled to. What happens in the disaster areas? The administration of relief is put on a State basis. The Army engineers, for example, go into the area, make their survey of flood damage, and then report to the Governor of the State the condition which they find in any part of the State. The Governor then declares the area a disaster area if the facts warrant it. On the basis of the Governor's proclamation, the Federal Government cooperates in the administration of relief in that area.

Do we mean to say that we are not going to trust our States, that we are unwilling to trust our Governors? Are we going to take the position that in an hour of very great disaster the States would chisel on the Federal Government? I do not believe it. I do not believe we should proceed on that assumption.

I close by stating what I think is the unanswerable argument in support of my amendment. Our Government under the general welfare clause of the Constitution has a moral obligation to come to the assistance of farmers whose farms have been washed out by floods, or who have suffered disastrous losses by hurricanes, or drought, and who need feed and seed to tide them over. Uncle Sam should be a Dutch uncle in some disastrous situations. Is he going to be a true Dutch uncle by seeing to it that the surplus feed and seed go into the States, without Uncle Sam taking the position that the States have to pay him at least 15 percent of the value of the grain before he will proceed to help the farm victims of floods, hurricanes, droughts and other disasters?

I rest my case in support of my amendment at the door of the conscience of each Senator.

Mr. MURRAY. Mr. President, I expressed my views on the soundness of the amendment at the time I presented the motion for reconsideration. I thoroughly agree with everything that

has been said by the distinguished Senator from Oregon.

The PRESIDING OFFICER. How much time does the Senator from Montana yield himself?

Mr. MURRAY. I yield myself 3 minutes.

I think it is very unjust to try to compel the people of my State of Montana or any State to pay 15 percent of the cost of the feed and seed which is supplied in the time of disaster, such as has been described by the senior Senator from Oregon.

In cases of disaster, the United States does not hesitate to give stricken countries every assistance they need at such a time. It seems to me that we should be just as fair and reasonable to unfortunate people in our own country who have suffered from disasters, as we are in cases of disaster abroad.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. LEHMAN. I wish to associate myself with the position taken by the distinguished Senators from Oregon and Montana. I think I am safe in saying that, in all probability I know as much about the effects of floods and other disasters upon the economy of the various States as does any other Member of the Senate. I was acting chairman of a committee which held 13 hearings on the subject. I have seen the tremendous losses which were suffered and the extreme hardships which were endured by the farmers of all the States that were affected.

It seems to me that the least the Federal Government can do is to render every possible assistance to those persons who have suffered so much. Although bills have been introduced on this subject, considerable difficulty is being experienced in preparing a practicable bill, but I believe it can be done.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MURRAY. I yield myself 2 additional minutes.

Mr. LEHMAN. In the meantime, there are great difficulties in solving the problem. Here is a situation that is simple, and contains no complexities. The question is simply whether the Federal Government wants to assist the disaster-stricken people to rehabilitate themselves as the producers, by undertaking to give them the assistance which is so necessary.

I am very glad indeed to associate myself with my colleagues in this matter.

Mr. MURRAY. Mr. President, I yield 1 minute to the Senator from North Dakota.

Mr. LANGER. Mr. President, I am delighted to associate myself with the Senator from Montana, the Senator from Oregon, and the Senator from New York in this matter. I call attention to the San Francisco earthquake, when the Federal Government poured large sums of money into California almost overnight.

The distinguished Senators have mentioned our aid to foreign countries. They are familiar with the earthquake

in Japan only a few years ago. In other words, if the motion to reconsider does not prevail, we are going to send millions of dollars to foreign countries, where they do not put up 15 percent; whereas, if we have a desire to help our own people, the States must put up 15 percent. I am amazed that anybody could take that position, in view of the fact that we have helped State after State, as in the case of the State of California.

Mr. MURRAY. Mr. President, I yield 2 minutes to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I wish to associate myself with the remarks of the Senator from New York and the Senator from Oregon. Being one of the co-sponsors of the amendment, I naturally should like to see the vote reconsidered; but there is also a practical matter involved. Last year in my part of the country there was an unexpected freeze, which caused huge damage, and farmers could not move their cattle. A year ago there was a drought and a freeze in the Midwest.

If the States are to be required to contribute 15 percent of the cost of such relief, even though sometimes the States may wish to do so, they will not, on many occasions, have the machinery to put the relief program into action. The legislatures in many States meet only once, every other year. The governors of many States do not have a fund with which to meet emergencies, as the President of the United States has. As a practical matter, by the time the States could go through the procedure of guaranteeing the 15 percent, the harm would have been done, and the relief would not be available at the time it was sorely needed.

So I think it is only fair and humanitarian that we do away with the 15-percent provision and the complicated procedures that would often stall the program, so that by the time the Federal Government decided to do something, the time of emergency would have passed.

It seems to me that with all we are doing in cases such as this, we can well take care of the matter of the 15 percent, in a humanitarian way, as we have done in many instances, not only for other countries, but for disaster areas throughout the United States.

Mr. MURRAY. Mr. President, I yield 3 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, originally I voted along with the Senator from Delaware in the belief that a restriction on the quantity of goods would probably be a good restriction. I have not changed my belief that the Senator from Delaware is trying to make such programs more effective and better for this country, but I have heard steadily of the requirements and the needs for these commodities, and I have seen very little go into the bill that I think would reduce surpluses. I think the greatest problem still is a reduction of these enormous quantities of goods we have on hand. Therefore, even though I originally supported the Senator from

Delaware, I voted the other night with the Senator from Oregon to strike that provision from the bill. I think we have made several changes that are going to make the problem of disposition of agricultural products more difficult than they have been. I think our world problem with regard to the disposition of our agricultural commodities is not easing at all. Therefore, I shall vote in favor of the motion to reconsider.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILEY. I am wondering how the provision would operate. Suppose a very serious situation existed in State X, and the State called for a half million bushels of seed. Would the State itself make the application for the relief? How would the need for the half million bushels of seed be arrived at? Would any accounting be required in any way, would there be a blanket application, or how would it work?

Mr. ANDERSON. My understanding is, and I hope it is correct, that the governor of a State would make the application. The State itself would have to make the distribution. The State itself would make its accounting to the Department of Agriculture in Washington. I do not say that procedure is bullet-proof, but it is probably more satisfactory than some of the distributions we have made in countries other than the United States.

Mr. WILEY. I thank the Senator.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, the Senator from Oregon has pointed out that he considered a moral principle to be involved. I do not know how he arrives at that conclusion, because all of this will be paid for by the American taxpayer, regardless of whether it is paid for at the national or the State level. Certainly, I have confidence that the people of the State of Montana or Washington would not refuse to put up 15 percent of the cost when Uncle Sam stated that he will bear 85 percent of the cost of relieving disasters.

As for the argument which has been made that there would be too much redtape to cut before a program could be started, I point out that the provision in the bill would not go into effect until March 1, 1957. Between now and then the legislatures of all the 48 States will hold sessions. They are scheduled to go into session after the next election or in January, 1957, and they will have been in session 60 days. So any State which refused to enact the necessary enabling legislation would do so simply because it was not interested in participating in the program.

The President of the United States in his message to the Congress in 1955, asked for such a provision. I point out again that this is not a flood control or an earthquake provision. This is a drought-relief program or an emergency-feeding program. I quote the President of the United States when he was addressing the joint session of Congress on this subject on January 6, 1955:

Because drought always remains a serious agricultural program, I shall recommend legislation to strengthen Federal disaster assistance programs. This legislation will seek an improved appraisal of need, better adjustment of the various programs to local conditions, and a more equitable sharing of costs between the States and the Federal Government.

The President of the United States has recognized that there is some need of State participation, in order that a greater degree of State responsibility might be secured.

Last Friday, when discussing this same question, a Senator said on the floor of the Senate that he would like to have one example pointed out where the program had not been administered properly. I shall accommodate him and point out one example wherein the administration of the program was not administered properly, furthermore, this example would not have taken place had there been participation of cost at the local level. The people of the State would not have permitted it had it been their own money. In 1954 we distributed, under this program, all of which was paid for by the United States Government, a total of \$61,181,906.37. In the State of Texas, a drought existed in one area of the State, an emergency had been declared by the Governor, and the State was participating, with 100 percent of the cost being paid for by the Federal Government. Much to the surprise of all of us, we found that the famous King's ranch, owned by Mr. Kleberg, went on the relief rolls and drew a total of \$32,585 to help underwrite the cost of feeding his livestock. Just a week before Mr. Kleberg received that relief from the United States Government, he had a horse that won the Belmont Sweepstakes, for which he received \$25,000. What the people at the racetrack and the American taxpayers did not know at the time was that the horse was on relief at the time he won the Belmont Sweepstakes.

Does that example answer the question. Do you not agree with me that if some form of State participation had been in effect, the people of the State of Texas or any other State would not have stood for this millionaire participating in this relief program?

Do not forget that in addition to owning several of the Nation's best racehorses, Mr. Kleberg owns the King Ranch which embraces 1,250,000 acres or an area larger than the State of Delaware.

Mr. KNOWLAND. Mr. President, I rise in opposition to the motion to reconsider. The amendment offered by the Senator from Oregon a few evenings ago strikes out that section of the bill which deals with this subject matter, and which was brought to the Senate by the Committee on Agriculture and Forestry. The Senate has been considering the bill for a considerable period of time. I know the chairman of the Committee on Agriculture and Forestry is hopeful that the Senate will complete action on the bill today, and certainly no later than tomorrow. The same hope has been expressed by the distinguished majority leader, and it certainly has been expressed by the minority leader and the

ranking minority member of the Committee on Agriculture and Forestry. If the Senate starts going back to reconsider every amendment that has been defeated or adopted, the process will never end.

In addition, I think the distinguished Senator from Delaware has pointed out some of the reasons which led him and the Committee on Agriculture and Forestry to propose the safeguards contained in the bill.

We hear on the other side of the aisle and on this side a great many Members talk about States rights. I think it is also very important that we consider States responsibilities. When the Federal Government is making a substantial contribution—and, I think, a proper one—in regard to drought conditions, to provide feed, it seems to me the States should be able and willing to take a monetary interest in the matter, primarily because it will be more or less of a signal for them to take a keener interest in the applications that are made and in how the funds are expended.

For that reason, I hope the motion of the Senator from Montana [Mr. MURRAY] to have the Senate reconsider the vote by which the Morse amendment was rejected, will not be agreed to by the Senate.

Mr. McCARTHY. Mr. President, will the Senator from California yield 2 or 3 minutes to me?

Mr. KNOWLAND. Yes; I yield 3 minutes to the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I may say that I have been deeply disturbed by what appears to be a deliberate filibuster against any effective farm legislation. I have a great deal of respect for many of my friends on the other side of the aisle, but I think they are doing a great disservice to the farmer by trying to make it impossible to have the Congress pass a farm bill which the President can sign. I think there is a deliberate attempt on the part of some of our good friends to mess up the farm bill to such an extent that no farm bill will be passed and enacted during this session.

Although it may be a cause of censure for me to say so, let me say that my Democratic friends are making it impossible to have farm legislation enacted at this session.

Mr. MORSE. Mr. President, will the Senator from Montana yield 3 minutes to me?

Mr. MURRAY. I yield 3 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, I say to my friend, the Senator from Wisconsin, that it is well for all of us to remember the saying, "Judge not, that ye be not judged." I think it is very dangerous for one to begin judging the motives of others as the Senator from Wisconsin has just done.

I assure the Senator from Wisconsin that I am not participating in a filibuster. I think I made it very clear the other evening that I would look for a reconsideration of this matter. The parliamentary procedure was available to the Senate if it wished to lay on the table at that time a motion to reconsider

the vote on the amendment. But the majority did not follow that course of action. It kept open the right of the Senate to reconsider the matter today.

I am supporting the motion to reconsider because I think it is only the just, fair, and equitable thing to do for the farmers in the disaster areas. That is my only motivation, I say to the Senator from Wisconsin. My one objective is to be fair to the farmers who are involved in disaster situations.

Mr. McCARTHY. Mr. President, will the Senator from Montana yield 1 minute to me?

Mr. MURRAY. I yield.

Mr. McCARTHY. Does not the Senator from Oregon agree with me that the net result of what is happening on the other side of the aisle will be that we shall have no farm bill at this session; that nothing will be done to help the farmer because of what is being done on the other side of the aisle?

Mr. MORSE. I completely disagree with the Senator from Wisconsin. I think that when the bill goes to conference, there will come from the conference a bill beneficial to the farmer, and a bill the President of the United States will be able to sign.

Mr. ANDERSON. Mr. President, will the Senator from Montana yield briefly to me?

Mr. MURRAY. I yield.

Mr. ANDERSON. Does not the Senator recognize that I have at the desk an amendment which will take the clerk a long time to read, which is in favor of the soil bank, advocated by the Farm Bureau; and that with the adoption of the Holland amendment a moment ago, I have no intention of offering the amendment?

I also have a dairy products amendment—and this will cause deep concern to the Senator from Wisconsin—which would strike the dairy section from the bill; and at this time I do not plan to offer that amendment. I hope many Senators will withhold their amendments, so that we may bring the bill to a prompt vote. I hope it will be brought to a vote tonight.

Mr. McCARTHY. Mr. President, will the Senator from Montana yield 10 seconds to me?

Mr. MURRAY. I yield.

Mr. McCARTHY. I wish to say that I think the Senator from New Mexico has done a very, very good job, insofar as the farmer is concerned; and my remarks were not directed toward him.

Mr. ANDERSON. I thank the Senator from Wisconsin.

Mr. MORSE. Mr. President—

Mr. MURRAY. I yield an additional minute to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for an additional minute.

Mr. MORSE. Mr. President, I wish to reply very briefly to the remarks of my good friend, the Senator from Delaware [Mr. WILLIAMS], who, I think, gave us a very good example of a chain of false reasoning. First, the amendment applies to flooded areas and to hurricane areas and to drought areas and is not as limited as the Senator from Delaware stated.

Then let us take his non sequitur argument in regard to the King Ranch. Let us remember that the Governor of Texas had to declare the area a disaster area. Does the Senator from Delaware think the Governor of Texas would be less inclined to declare an area a disaster area if the State were providing 15 percent of the cost of the feed and the seed? Of course he would not be. The governors will continue to declare such areas disaster areas if a given disaster, be it flood, drought, or hurricane, does in fact create a disaster. Does the Senator from Delaware wish to argue that the Texas drought did not strike that portion of the King Ranch holdings covered by the proclamation of the governor of Texas? If we are to bring relief to drought stricken areas we have to apply the relief to the entire area involved. The fact that some farmers in the area may be better able to suffer the loss than some others does not justify our rejecting a relief program to the area.

How do these programs work out in practice? I know something about them, because in connection with the Oregon flood disaster I spent many hours in recent weeks in working with the officials of my State and with the officials of the Federal Government.

The PRESIDING OFFICER. The time yielded the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I request the Senator from Montana to yield 2 more minutes to me.

Mr. MURRAY. I yield 2 additional minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. MORSE. Mr. President, as I was saying, in connection with this matter I spent many hours working with the officials of my State as segment after segment of the State was declared a disaster area as a result of our recent terrible floods. The governors do not serve as dictators. They do not exercise arbitrary, capricious power. The Army engineers go in, and the Red Cross goes in, and the Department of Agriculture officials go in, and quickly gather the facts about the extent of disaster damage. All of them look over the situation, and report to the governor what they find, in cooperation with State officials. When they report to the governor that in their opinion an appeal should be made for help from the Federal Government on the basis of the existence of disaster, then the governor declares the existence of a disaster area. Such a proclamation applies to the rich and the poor alike in that disaster area.

Mr. President, I hope we have not reached a point where we are going to draw distinctions between rich farmers and poor farmers when a terrible disaster has struck a farming community. Disaster draws no distinction among its victims' based upon economic station.

Our purpose at such a time should be to use our surplus feed and seed to try to make whole again, as nearly as we can, the area as it existed prior to the disaster. I assume that is what happened in Texas. I know it is what happened in my State.

So we get right back to the major consideration before us, which is, Is my amendment right? Is it just? Is it fair and moral?

The PRESIDING OFFICER. The time yielded the Senator from Oregon has again expired.

Mr. MORSE. Mr. President, will my friend, the Senator from Montana, yield 2 more minutes to me?

Mr. MURRAY. I yield 2 more minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. MORSE. Mr. President, does my amendment put moral principles of charity into practice when we say that Uncle Sam should step in and should cooperate with the State officials by providing free seed and grain to disaster areas? Let us remember that the State officials together with the Federal Government are spending huge sums of money in connection with every disaster.

For instance, consider the situation in Massachusetts, in Connecticut, North Carolina, California, and Oregon during recent disasters. Those States did not come out of such a trial without the expenditure of great sums of State money. As the Senator from New Mexico said, we are pleading that Uncle Sam be authorized to use some of our surplus seed and feed, in order to perform a humanitarian service for fellow American farmers who suffer disaster losses from flood, hurricanes, droughts or other terrible calamities that bring their farms under the terms of a governor's disaster area proclamation.

Mr. WILLIAMS. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. WILLIAMS. Do I correctly understand that the Senator from Oregon is defending the right of King's Ranch to go on the relief rolls at the expense of the taxpayers, when that ranch owns more than 1¼ million acres of the richest land in the United States?

Mr. MORSE. I am defending the right of the Governor of Texas to declare an area a disaster area and to ask to have a uniform application of disaster relief made to the land, under the amendment, regardless of who owns the land.

Mr. WILLIAMS. Adoption or rejection of the amendment would in no way affect the right of the governor of a State to declare his State or any part of his State to be a disaster area. All that I am asking is that in asking for Federal relief the State indicate a willingness to underwrite at least 15 percent of the cost.

Mr. MORSE. That is my answer to the Senator from Delaware.

Mr. WILLIAMS. But I venture to say that the King's Ranch would never have been on the relief rolls if the State of Texas had had to pay a portion of the cost. We hear a lot about State rights but far too many people forget that with State rights go States responsibilities. The advocates of State rights far too often sell their freedom for more and more Federal aid.

Mr. MORSE. Now a further word about the King Ranch argument of the Senator from Delaware. Let me say to

the Senator that he is caught in the vicious circle of his own fallacious argument. The Government would still have power without my amendment to declare a disaster area. Requiring Texas to pay 15 percent of the cost of the grain would not take the King Ranch out of the disaster area. The Governor and State officials would still administer the relief program and report to the Federal Government. The Governor of Texas would continue to include the entire area affected within the disaster proclamation. The Federal and State officials co-operating with him would not have any justification in all farmers to deny disaster relief to farmers who they thought might have sufficient wealth from other sources even including race horses to pay for disaster relief. Such is not the policy of helping disaster areas and should not be. Class conscious considerations have no place in assisting flooded out farmers or farmers who have suffered great losses from other types of disaster. The argument of the Senator from Delaware overlooks the social justice of disaster relief.

Mr. MURRAY. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, if there are no further requests for time, I yield back the remainder of my time.

The PRESIDING OFFICER. All un-used time has been yielded back.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McCarthy
Allott	Fulbright	McClellan
Anderson	George	McNamara
Barkley	Goldwater	Millikin
Barrett	Gore	Monroney
Beall	Green	Morse
Bender	Hayden	Mundt
Bennett	Hennings	Murray
Bible	Hickenlooper	Neely
Bricker	Hill	Neuberger
Bridges	Holland	O'Mahoney
Bush	Hruska	Pastore
Butler	Humphrey	Payne
Byrd	Jackson	Potter
Capehart	Jenner	Robertson
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cotton	Knowland	Smith, N. J.
Curtis	Kuchel	Sparkman
Daniel	Laird	Stennis
Dirksen	Langer	Symington
Douglas	Lehman	Thurmond
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Montana [Mr. MURRAY] to reconsider the vote by which the Morse amendment was defeated on last Thursday. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KUCHEL (when his name was called). On this vote I have a pair

with the senior Senator from New York [Mr. Ives]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Georgia [Mr. RUSSELL] is absent on official business. I further announce that if present and voting, the Senator from Georgia would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent, and, if present and voting, he would vote "nay."

The Senator from New York [Mr. Ives] is absent because of illness, and his pair with the Senator from California [Mr. KUCHEL] has been announced previously.

The result was announced—yeas 47,

nays 45, as follows:

YEAS—47

Anderson	Holland	Monroney
Barkley	Humphrey	Morse
Bible	Jackson	Murray
Chavez	Johnson, Tex.	Neely
Clements	Johnston, S. C.	Neuberger
Daniel	Kefauver	O'Mahoney
Douglas	Kennedy	Pastore
Eastland	Kerr	Robertson
Ervin	Laird	Scott
Fulbright	Langer	Smathers
George	Lehman	Sparkman
Gore	Long	Stennis
Green	Magnuson	Symington
Hayden	Mansfield	Thurmond
Hennings	McClellan	Young
Hill	McNamara	

NAYS—45

Aiken	Cotton	Martin, Pa.
Allott	Curtis	McCarthy
Barrett	Dirksen	Millikin
Beall	Duff	Mundt
Bender	Dworshak	Payne
Bennett	Ellender	Potter
Bricker	Flanders	Saltonstall
Bridges	Frear	Schoeppel
Bush	Goldwater	Smith, Maine
Butler	Hickenlooper	Smith, N. J.
Byrd	Hruska	Thye
Capehart	Jenner	Watkins
Carlson	Knowland	Welker
Case, N. J.	Malone	Wiley
Case, S. Dak.	Martin, Iowa	Williams

NOT VOTING—4

Ives	Purtell	Russell
Kuchel		

So Mr. MURRAY's motion to reconsider was agreed to.

The PRESIDING OFFICER. Automatically the situation reverts to the point where the Morse amendment was voted upon. All time was exhausted or yielded back on the amendment, and the yeas and nays were ordered. The question now comes on the amendment.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have already been ordered. The clerk will call the roll.

Mr. CASE of South Dakota. Mr. President, may we have the amendment read?

The PRESIDING OFFICER. Without objection, the clerk will read the amendment.

The CHIEF CLERK. On page 29, beginning with line 17, it is proposed to strike out through line 17 on page 30, as follows:

STATE CONTRIBUTION TO COST OF COMMODITIES FURNISHED TO DISASTER AREAS

SEC. 309. Notwithstanding any other provision of law, no feed for livestock or seed

for planting shall be furnished, after March 1, 1957, to farmers, ranchers, or stockmen pursuant to the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950 (64 Stat. 1109; 42 U. S. C. 1855 and the following); section 2 of the act entitled "An act to abolish the Regional Agricultural Credit Corporation of Washington, D. C., and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes," approved April 6, 1949, as amended (12 U. S. C. 1148); the provision under the heading "Disaster Loan Revolving Fund," Third Supplemental Appropriation Act, 1954 (68 Stat. 88); the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454; 7 U. S. C. 1691 and the following), or pursuant to any other law as a disaster relief measure, unless, in addition to such administrative costs as may be assumed by the State, the State in which such feed or seed is furnished agrees to contribute an amount not less than 15 percent of the cost, including transportation, of such feed or seed which is not paid for by the recipients thereof.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KUCHEL (when his name was called). Mr. President, I have a pair with the senior Senator from New York [Mr. Ives]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Georgia [Mr. RUSSELL] is absent on official business. I further announce that, if present and voting, the Senator from Georgia would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent and, if present and voting, he would vote "nay."

The Senator from New York [Mr. Ives] is absent because of illness, and his pair with the Senator from California [Mr. KUCHEL] has been announced previously.

The result was announced—yeas 47, nays 45, as follows:

YEAS—47

Anderson	Holland	Monroney
Barkley	Humphrey	Morse
Bible	Jackson	Murray
Chavez	Johnson, Tex.	Neely
Clements	Johnston, S. C.	Neuberger
Daniel	Kefauver	O'Mahoney
Douglas	Kennedy	Pastore
Eastland	Kerr	Robertson
Ervin	Laird	Scott
Fulbright	Langer	Smathers
George	Lehman	Sparkman
Gore	Long	Stennis
Green	Magnuson	Symington
Hayden	Mansfield	Thurmond
Hennings	McClellan	Young
Hill	McNamara	

NAYS—45

Aiken	Bush	Curtis
Allott	Butler	Dirksen
Barrett	Byrd	Duff
Beall	Capehart	Dworshak
Bender	Carlson	Ellender
Bennett	Case, N. J.	Flanders
Bricker	Case, S. Dak.	Frear
Bridges	Cotton	Goldwater

Hickenlooper	McCarthy	Smith, Maine
Hruska	Millikin	Smith, N. J.
Jenner	Mundt	Thye
Knowland	Payne	Watkins
Malone	Potter	Welker
Martin, Iowa	Saltonstall	Wiley
Martin, Pa.	Schoeppel	Williams

NOT VOTING—4

Ives	Purtell	Russell
Kuchel		

So Mr. MORSE's amendment was agreed to.

Mr. MORSE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas to lay on the table the motion of the Senator from Oregon to reconsider the vote by which the amendment was agreed to.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I offer an amendment for myself and on behalf of the Senator from North Dakota [Mr. Young].

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Minnesota for himself and on behalf of the Senator from North Dakota [Mr. Young].

The LEGISLATIVE CLERK. On page 25, line 19, it is proposed to strike out "may" and insert in lieu thereof "shall."

On line 20, it is proposed to strike out the period, insert in lieu thereof a comma, and to add "and the maximum and minimum quantities of upland cotton shall be raised to 10 million and 9 million bales, and the maximum and minimum quantities of wheat shall be raised to 800 million and 750 million bushels, respectively."

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 30 minutes, or so much of that time as he wishes to use.

Mr. HUMPHREY. Mr. President, I recognize that the amendment was not previously submitted for printing. Therefore, I know all my colleagues will wish to know in specific terms what it provides. I think its language is very simple and to the point.

First, so far as the corn set-aside in the bill is concerned, it removes the word "may," which would have provided discretionary authority to the Secretary, and substitutes the word "shall," which means that the set-aside will be mandatory.

Second, the amendment increases the set-asides for upland cotton and also for wheat.

The amendment is designed to take into consideration the very practical realities of the current supply situation, and is also designed to make the flexible price support program work.

Mr. President, the administration has insisted upon changing from price supports at a fixed level which the farmer could depend upon to a sliding scale of lower supports. It is perfectly obvious that this attitude and opinion have prevailed. In other words, we have had

votes in the Senate which have made it crystal clear that the majority of the body is for a flexible price support program.

Regardless of what system we use, we want a program that truly works for agriculture and produces results in terms of higher income—not 10 years from now, but now—this year.

The administration has blamed surpluses for the inability of its flexible support program to effectively halt declining farm prices.

Excessive stocks can be removed from commercial channels for constructive purposes that will benefit the people of the United States and our friends abroad.

Removal of the threat of huge surpluses of farm commodities from current markets is an essential part of the program the administration has presented.

Destruction of surplus commodities cannot be countenanced under any circumstances. They can be insulated from the commercial markets and used in constructive ways. Such uses will include school-lunch programs, disaster relief, aid to the people of other countries, and stockpiled reserves at home and abroad.

In other words, the uses to which I refer are those that are provided in accordance with the provisions of section 103 of the Agricultural Act of 1954, Public Law 480, 83d Congress; section 490 of the Mutual Security Act, 83d Congress, and other appropriate legislation.

Authority to insulate or set aside such frozen reserves should be coupled with legislative safeguards to prevent the return of these stocks to domestic or foreign markets so as to cause disturbance in normal trade. Perishable stocks should, of course, be rotated. Stocks of wheat, cotton, vegetable oils, and possibly some dairy products should be set aside after this program takes effect.

The insulation of our excess reserves of food and fiber is an essential first step in making the administration's flexible support program work. I regret that my colleagues have not paid close attention to those words, because they have a very familiar sound.

Mr. President, those words should sound familiar. They are primarily the words of the President of the United States, from his message to the Congress on January 11, 1954, transmitting recommendations affecting the Nation's agriculture.

A few days earlier, on January 7, in his state of the Union message, when the President first announced his plan of sending a new farm program to the Congress, he also commented:

To make it effective, surpluses existing when the new program begins must be insulated from the normal channels of trade for special uses. These uses would include school-lunch programs, disaster relief, emergency assistance to foreign friends, and of particular importance the stockpiling of reserves for a national emergency.

Mr. President, if the administration's lower support program has not worked satisfactorily perhaps it is because, as the President said, "to make it effective, surpluses existing must be insulated from the normal channels of trade for special uses."

Secretary Benson apparently agrees with the President and me on the particular subject. As recently as March 5, in speaking before the National Farm and Ranch Congress in Denver, Colo., Mr. Benson said:

A year and a half ago, the Congress passed the Agricultural Act of 1954. That act had substantial bipartisan support. It moved toward a more realistic use of the essential tool of price supports.

But the Agricultural Act of 1954 is smothered beneath the surpluses accumulated under past 90 percent support programs. We come back again to one inescapable fact: The surpluses must be reduced before any sound farm program can work successfully.

Mr. Benson had the word "must" underlined in his text.

In a talk before the National American Wholesale Grocers' Association, in Chicago, on the next day, March 6, Secretary Benson quoted Senator CLINTON ANDERSON, former Secretary of Agriculture, as saying, in part:

If we are to be fair, we should give flexible supports a chance to work in a market not glutted with surplus crops.

Secretary Benson added that the Senator from New Mexico was right about this.

Mr. President, we want to be fair. We want to provide that chance.

That is the purpose of the amendment now before us.

If the President was right in saying the first step in making flexible supports work was insulating surpluses from the market, if Secretary Benson is now right in saying just a week ago that the surpluses must be reduced before any sound farm program can work successfully, this amendment proposes to carry out just what the President and Secretary Benson have said was necessary.

If the flexible program has not worked, perhaps it is because the last Republican Congress and Secretary Benson have not properly carried out the full spirit of the President's message in 1954.

Surpluses have not been effectively isolated from the market.

The President suggested, in 1954, a way to set aside the surpluses that were then concerning him, the surpluses he and Secretary Benson say they inherited from the Democrats.

I am not going to argue that point any longer. I do not propose to argue who was right or wrong—Mr. Brannan or Mr. Benson. I have gone over this argument repeatedly. I think the time is at hand to make up our minds as to whether we want a farm bill which will do something for the farmers rather than a bill simply to win a political argument.

Neither the President nor the Secretary seems to have been willing to suggest, however, that they apply the very same principle to the surpluses the country has inherited under the Republicans.

Mr. President, I think that we have to be equally fair and candid in the present situation.

The set-aside provisions of the Agricultural Act of 1954 authorized putting 3 million bales of cotton and 500 million bushels of wheat in a set-aside, not to be counted for purposes of computing price supports, and to be disposed of in ways

not interfering with normal channels of trade. They said they believed this would permit the flexible-support program to work properly.

I have outlined those points by referring to other acts enacted by Congress, including section 101 of the act of 1954, Public Law 480, 83d Congress, and section 490 of the Mutual Security Act of the 83d Congress.

All we are asking in this amendment is to not penalize farmers for the additional surpluses created under either the past or present administrations, so that farmers may not be penalized by any mismanagement that has contributed to increasing rather than decreasing surpluses.

The President's state of the Union message outlining the set-aside idea to isolate and insulate surpluses was sent to the Congress on January 7, 1954.

Stocks of commodities owned by the Commodity Credit Corporation which have been accumulated since December 31, 1953—the final year-end report before the President's message of 1954—amount to 7.46 million bales of cotton, 385 million bushels of corn, and 124 million bushels of wheat.

That is the difference between the stocks owned by the CCC December 31, 1953, and the stocks owned by the CCC January 31, 1956, the last published report of CCC holdings.

We just ask that such excess supplies be disposed of without penalizing farmers.

Essentially, we are just earmarking the surplus into a disposal pool and saying to Secretary Benson: "This is your surplus—this is what you must dispose of."

All we ask is that American farmers not be penalized with lower prices and lower incomes while Secretary Benson is disposing of it.

That is what the President said was fair to do in 1954. That is what we say is equally fair to do today.

If, as Secretary Benson says, it was wrong to have farmers' prices suffer because of surpluses accumulated by Democratic administrations, it is just as wrong to have them suffer from lower prices because of the Benson surplus accumulated under his own management, after his administration had already had a full year in office to develop a workable farm program.

Because the administration has added a new proposal this year to reduce future production below annual needs under the acreage-reserve portion of the Soil Bank Act, we make provision for meeting the Nation's full needs in the disposal methods authorized for the set-aside, to offset any such reduction achieved under the Soil Bank.

Secretary Benson says his Soil Bank aim is to use the surplus to get rid of the surplus. The Republican advertising supporting the soil bank says reductions achieved under the soil bank will enable them to reduce the surplus by an equivalent amount.

If what they contend is true, Mr. President, there need be no hesitancy about temporarily setting this surplus

aside until it is used up to make up for lower production as a result of the Soil Bank.

All my amendment does is to protect farmers from suffering lower prices while that surplus is being worked off. If what the administration promises is true, the soil bank should produce enough results to take care of the situation.

We just want to give them that fair chance, without penalizing farmers meanwhile.

The committee bill before us already requires the Secretary of Agriculture to submit a detailed surplus disposal plan in 60 days.

We have had a vigorous debate on this farm bill as a result of deeply held convictions that often are in conflict.

This amendment is offered in the spirit of achieving some sound improvements in the light of floor developments.

Everyone's purpose should be protecting our agricultural economy. We fully recognize the acute surplus problem. But in curing one problem, we cannot neglect another. The purpose of this amendment is to protect the income of our farmers while the administration has a chance to prove its claim that its soil bank, increased export proposals, and other programs can effectively dispose of our surplus. We invite bipartisan support as a constructive way of meeting the urgent needs of American agriculture.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield 1 minute to the Senator from Missouri.

Mr. SYMINGTON. Will the Senator tell us what his amendment does?

Mr. HUMPHREY. Yes. The amendment raises the set-asides. Very frankly, the effect of it would be to provide, for example, in the instance of wheat, that the effective price support this year could be about 84 percent as compared with 76 percent. It could be that. The Secretary could still lower it, under the flexible-support provision, but he would have to give sound reasons for doing so, under the pending amendment.

For corn the effective price support could be 87 percent, and it could be 90 percent for cotton. It does not bring all commodities up to 90 percent. It preserves the flexible-support structure, but it says that these surpluses shall be used under the terms of the soil-bank acreage reserve provision or Public Law 480, or section 101 of the act of 1954, or section 490 of the Mutual Security Act of the 83d Congress.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. Did the Senator say this would change the corn-support level in any way? As I understand the amendment which was put in the bill, it was for 250 million bushels of corn in the reserve.

Mr. HUMPHREY. That is right.

Mr. ANDERSON. So the corn price would not be changed in the slightest.

Mr. HUMPHREY. If the word "may" were changed to "shall," it would not change it.

Mr. ANDERSON. Changing the word from "may" to "shall" would not make any difference, because the Secretary of Agriculture is privileged to ignore the whole recommendation, if he wishes to.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. The prices of grain sorghums, oats, barley, and rye would be the same, regardless of what happens on the amendment.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. On the question of wheat, it raises the set-aside to how much?

Mr. HUMPHREY. It raises the set-aside from 750 million to 800 million.

Mr. ANDERSON. How does that compare with the amount of wheat there was at the time the set-aside was made originally, and a set-aside of 400 million or 500 million bushels was made?

Mr. HUMPHREY. It is about the same amount in total quantity.

Mr. ANDERSON. The only difference might be as to cotton, which is 9 million and 10 million.

Mr. HUMPHREY. That is right; 9 million and 10 million.

Mr. ANDERSON. At the time the set-aside was established, it was established at from three to four million bales, and there was a supply of 9 million bales on hand. Now the supply is about 15 million. So the figures are somewhat relative.

Mr. HUMPHREY. That is right.

As the Senator knows so well, as the President said in 1954, if the program is going to work, we should not be burdened down with surpluses which had been accumulated up to that time.

Mr. ANDERSON. If the Senator can make the disposition of surpluses work, he would have struck the biggest blow at what is wrong with the agricultural picture. Every comment I have seen is that flexible price supports will not work and 90-percent supports will not work with burdensome surpluses on hand. I made that point in a speech I delivered to the Texas Farm Bureau. If I am not mistaken, the Secretary of Agriculture picked that up and repeated it in his speech in Chicago this past month, and said that I was right. If we are to have a program that will work, the surpluses must be moved. If the moving of them involves a little burden on the part of the Secretary, that is not too bad.

Is it not a fact that the Secretary has succeeded in getting rid of a great deal of dairy surpluses in the last few years.

Mr. HUMPHREY. Yes.

Mr. ANDERSON. Has not that been of benefit to every farmer in the country?

Mr. HUMPHREY. It has been.

Mr. ANDERSON. Should we not try to follow that practice on every one of our surplus commodities?

Mr. HUMPHREY. That was one of the purposes of setting up the set-aside, in line with the language in the bill on line 15, page 25—a surplus disposal program of orderly liquidation. The bill

provides that the Secretary come back in 60 days with a program for orderly disposition of these surplus commodities.

Instead of calling this a commodity set-aside, I think it ought to be called something like the Senator suggested in one of his long discussions, a commodity disposal inventory, placing the emphasis on disposal.

Mr. ANDERSON. That is exactly what I wish it could have been called. I was one of the few Senators who voted—as I think the Senator from North Dakota [Mr. Young] did—against the provisions of the bill in 1954, inside the committee. I said it was merely sweeping dirt under the rug, and that we ought to say this was a commodity disposal program. We called it a commodity set-aside. The result of it has been that in the case of some commodities we have not used up the set-aside at all; but in the case of the dairy commodities, they have been used up—and I think in a good cause.

I do not care if we make the Secretary give them away; I think the farmers will pay enough income taxes to make up for that.

Mr. HUMPHREY. Yes; and also that will eliminate some of the storage costs.

Mr. ANDERSON. I think we should try to say that we will not tolerate a continuation of the surplus situation. I do not blame the Secretary of Agriculture entirely for it. I think he has bumped up against rather rough opposition in the State Department. But I think now the State Department has said he can go ahead with a program of 5 million bales of cotton in the next year. If he does, this program will become all right again.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. And if he does not, he should be punished.

Mr. HUMPHREY. The Senator from New Mexico has put his finger on the core of the argument; namely, that the surpluses should be disposed of; and, as a result of the long Senate debate during all these weeks, there should be a clear understanding of the overwhelming desire of the Congress to have affirmative action taken—as the Senator from New Mexico did when he was Secretary of Agriculture. He has not asked me to praise him, but the record under his administration is second to none.

Mr. ANDERSON. Mr. President, I am not asking for praise.

Mr. HUMPHREY. But I think that is true.

Mr. ANDERSON. But the Senate would not be debating this matter into the fourth week if it were not for the existence of the surpluses, because if the Secretary of Agriculture had only about 4 million or 5 million bales of cotton on hand today, the support price would be 90 percent; and if he had only 300 million or 400 million bushels of wheat on hand today, the support price would be 90 percent; and there would not be any fight between the 90 percenters and the flexible price support advocates.

I hate to see fights on this floor between those who are just as devoted to agriculture as I am and those who take the opposite view.

What we need to do is put an end to our expanding surplus, and bring our agricultural plant under control.

I am sorry that the Senator from Florida [Mr. Holland] is not now on the floor, because one of the good things which has been accomplished during this debate has been the adoption of the Holland amendment which, coupled with the soil bank advocated by the Secretary of Agriculture and the President, will help bring our expanding agriculture under control. Those are things we must do. If we can transfer a little of the set-aside, we ought to do it; but that will not repeal flexible price supports, will it?

Mr. HUMPHREY. No, it will not.

Mr. ANDERSON. Of course, if we wish to begin to argue again against flexible price supports, the argument would last all night, no doubt, if not longer.

Mr. HUMPHREY. Yes, and I judge that argument is scarcely worth bringing up again. If it were brought up, I gather that it could be carried on for months.

My firm belief is, first, that we should implement, insofar as we practically can, at least for this year, some of the surpluses which continue to burden the market; and, second, we should dispose of them. In fact, probably I should state those two points in the reverse order, so as to put the emphasis upon disposal of the surpluses. I think it has been demonstrated that just as a result of the discussion of these matters here in the Senate, the Secretary of Agriculture recently announced that approximately 900 thousands tons, or some substantial amount, of the rice surplus would be exported—he announced a considerable increase in the exports of rice—simply because Senators have been somewhat concerned about that subject.

I do not wish to refer personally to the Senator from New Mexico again; but I can recall that recently he was on the Columbia Broadcasting System television program, and at that time he produced a chart in regard to the accumulation of rice. When it became known what the figures on the chart were, I gather that the Department of Agriculture said, in effect, "We had better do something about this"; and, as a result, action has occurred.

Mr. ANDERSON. Well, the chart showed that the level of accumulation of rice had previously never been more than about one and one-half million bags. As a matter of fact, in the entire 20 years of Democratic administration—and it was easy to do; I am not trying to praise the Democrats for it—the total during those 20 years did not amount to 20 million hundredweight. Yet in 1 year we accumulated some 29 million hundredweight.

I tried to show that when the Secretary of Agriculture came into office, there was only 1,515,000 hundredweight of rice on hand, and the amount increased to 29 million hundredweight. That was not the fault of the farmer. The testimony by representatives of the Department of Agriculture, delivered in the Committee on Agriculture and Forestry, was that the Department of Agriculture

should have imposed controls on rice in 1954. I admit that sometimes that is hard to do. The Secretary did not believe the market for it would collapse; he thought that much rice would be useful in worldwide trade.

But the point is that it was not the farmers' fault. The Secretary was doing what he thought was best. But it was not the farmers' fault, and the farmers should not be blamed for it.

The last report—as of March 14—says that export commitments made or in process will virtually wipe out the Government's surplus holdings of rice resulting from the 1953 and 1954 crops. That is what should happen to all our commodities.

Mr. HUMPHREY. I think the Senator from New Mexico will agree that it has been announced that in midsummer there will be a substantial export program on cotton. But what we need is to start moving these surpluses into world trade, because unless we do, one of two things will result: either the Government will have increased surpluses, with the resultant increased storage charges; or there will be depressed prices.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. I see the able senior Senator from Mississippi [Mr. Eastland] in the Chamber. It is my personal knowledge that the able senior Senator from Mississippi has been battling for 3 solid years for a cotton export program. A short time ago the Cotton Subcommittee made a report to the effect that there should be an export program on cotton. I believe the Senator from Mississippi was chairman of that subcommittee; at least, he was a member of it.

We have been trying to get an export program on cotton. The announcement was that the export program will begin August 1, and will move 5 million bales of cotton. I say that program should have begun last year, and that movement of 5 million bales should have begun last year. If that had been done, we would now be in a very good situation—exactly the situation that, according to the Senator's amendment, we should now be in.

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Minnesota yield to the Senator from Mississippi?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. Let me say that I have followed the very able leadership of my friend, the distinguished Senator from New Mexico [Mr. Anderson]. Certainly I agree with him that there should have been an export program for cotton beginning in August a year ago.

Let me ask a question: What is the set-aside provision of this amendment?

Mr. HUMPHREY. It would raise it to a minimum of 9 million or a maximum of 10 million bales of cotton.

Mr. ANDERSON. It was 3 million to 4 million bales; and this amendment would increase that to from 9 million

to 10 million bales—just the difference for the export program.

Mr. EASTLAND. In other words, between 9 million and 10 million bales of cotton would be placed in a set-aside; is that correct?

Mr. HUMPHREY. Yes, for the purpose of excluding it from the price-support calculations under the formulas in the acts of 1938, 1949, and 1954.

Mr. EASTLAND. What will happen to that cotton?

Mr. HUMPHREY. It is to be sold. It is not to be a set-aside, as such. As I said to the Senator from New Mexico, I think the set-aside should be called a commodity disposal inventory. The words "set-aside" are unfortunate. Actually, it is the amount which it is indicated will be left, under the 1954 act.

Mr. EASTLAND. Then it is not a set-aside?

Mr. HUMPHREY. No. It is to insulate it from the market.

Mr. EASTLAND. What is it?

Mr. HUMPHREY. It is a pool of the products that are to be utilized through foreign consumption, under the authority of section 101 of Public Law 480 and section 490 of the Mutual Security Act, and in other ways that the President may deem feasible.

Mr. EASTLAND. What is to be disposed of? Three million bales of cotton have been placed in the set-aside.

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. The set-aside provision, so described in the amendment, is how many bales?

Mr. HUMPHREY. Nine to ten million bales.

Mr. EASTLAND. Is it 9 million or 10 million?

Mr. HUMPHREY. In the act of 1954 the minimums are 3 and the maximums are 4. In this case the minimums are 9 and the maximums are 10. We have maximum and minimums under the current law.

Mr. EASTLAND. That means we would dispose of 6 or 7 million bales.

Mr. HUMPHREY. That is our hope.

Mr. EASTLAND. In what length of time?

Mr. HUMPHREY. No particular length of time is stated. This is an amendment to the present act, the act of 1954. Under the surplus disposal features of Senate bill 3183, we find the following:

The Secretary shall submit a detailed program for the disposition of surplus commodities as required by subsection (a) to Congress within 60 days after the enactment of this act, and shall report annually thereafter on his operations under subsection (a).

Mr. EASTLAND. But the distinguished Senator mentions 6 or 7 million bales of cotton.

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. Over what length of time is that to be disposed of? I understand this is a surplus disposal program?

Mr. HUMPHREY. I would hope it would be disposed of as rapidly as possible—whenever we could find the market.

Mr. EASTLAND. The Secretary of Agriculture has announced his intention to dispose of 5 million bales.

Mr. HUMPHREY. Yes.

Mr. EASTLAND. In the year beginning August 1. What is the commitment here to dispose of the 6 or 7 million bales?

Mr. HUMPHREY. There is no particular commitment made at all by anyone to dispose of it, except that we are asking the Secretary to do it as rapidly as possible.

Mr. EASTLAND. Then it is meaningless.

Mr. HUMPHREY. Not at all.

Mr. EASTLAND. There is no commitment to dispose of it in any length of time.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. There is no valid commitment on the part of the Secretary of Agriculture to dispose of 5 or 6 million bales. He says, "If the weather is good, if the sun shines, if other conditions are favorable, and nothing untoward happens, come next August I hope to announce an export program." There is not a line in writing. This provision merely points out that there is a provision in the bill which says that a Surplus Commodity Administrator must be appointed. That is in the bill now, in section 308. There is also a provision in the bill that the Secretary shall report as to how he disposes of these surpluses.

Mr. EASTLAND. That is a good provision.

Mr. ANDERSON. I am happy to hear the Senator say so.

Mr. EASTLAND. What is the commitment to dispose of the 6 or 7 million bales, and over what length of time?

Mr. HUMPHREY. There is no particular commitment. The commitment the Senator will have to get from the Secretary.

Mr. EASTLAND. We can make a commitment in a bill.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I shall have to yield the floor.

The PRESIDING OFFICER. Does the Senator from Louisiana care to yield further time to the Senator from Minnesota?

Mr. AIKEN. Mr. President, there are two sides to this question.

I was somewhat amazed at the Senator from Minnesota bringing in a "quickie" amendment like this. No one could see it. It has not been printed. If it had been a good amendment, he certainly would have had no objection to the public knowing what was going on. It is one of those "quickie" affairs which we should not accept. Even though it may be pretty good, we should not accept it at this time.

I believe the amendment offered by the Senator from Minnesota is found in the platform of the Farmer's Union. It provides for an enormous Government reserve, as it is called. They ask for a year's supply of everything, to be held under Federal control, a supply so large that it would accomplish the purpose of those who believe that the farmers of the United States should be absolutely under the control and domination of the execu-

tive branch of Government. We cannot get away from that. There is no surer way to accomplish that purpose than to have constantly hanging over their heads 10 million bales of cotton, 1 billion bushels of wheat, and great surpluses of other commodities.

If we want the farmers to have any freedom at all, we will put these surplus commodities on the open market and sell them. I agree that we should have a selling program. We have a selling program. While we have been taking time talking here, the Commodity Credit Corporation has sold more than \$250 million worth of our surpluses to other countries. That has been accomplished since consideration of this bill began.

I am informed that there has been a great deal of conferring today by those who thought they were going to put the President in a hole. They are the ones who seem to be getting into difficulties. They are resorting to all sorts of measures. I do not believe this proposal would ever have been submitted if they knew what it really means.

We know that there are those in this country who do not want the farmers of this country to have their own choice of operations. One way to bring about that is to pile up enormous surpluses, lock them up, and call them "reserves."

One reason for calling them "reserves" is that it sounds better when the taxpayer gets the bill for storage. The supporters of this proposal do not like to say that we are spending \$1 million a day for storing surpluses. When they say we are spending \$2 million a day for storing a "national reserve," that sounds a great deal better.

Some of the very people who are doing everything they can, day and night, to propagandize the country in a way it has never been propagandized before, are cleaning up on the storage of these same so-called national reserves.

Let us not fool ourselves as to what is meant. If this amendment is being offered in an effort to force the President to veto the bill, I do not think it is necessary to bother with any more amendments. Already enough amendments have been added to the bill to warrant several vetoes.

It is time for the farmers of the country to wake up, when a campaign such as the one now in progress is being waged. If reports which I receive from various parts of the country are correct, many people have been called and told to work on their Senators to get this bill through.

I think we should wake up. If we want our farmers to remain free, we will see to it that they do not have unmanageable surpluses hanging over their heads. If we put aside 10 million bales of cotton, it will nullify everything that is planned to improve the cotton market. The cotton market is going to improve. If we set aside or put in the "national reserve" 800 or 900 million bushels of wheat, we nullify the efforts to move our wheat out, so that the time may come when our wheat producers may again plant a decent crop and make a living from it.

Mr. President, this is a bad amendment. It is bad in more ways than one. It is bad for our economy. It is bad for our farmers socially. It is bad for the Nation politically—and I am not speaking of partisan politics, either. If we wish to place our farmers in such a situation that they can never have freedom of choice again, let us go ahead and enact a sufficient amount of this type of legislation, and we can accomplish that purpose.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WILEY. Probably I exhibit my ignorance, but changing the word "may" to "shall" would make it mandatory, as I understand this amendment, that there be set aside—frozen, as it were—approximately 10 million bales of cotton, and 800 million bushels of wheat.

There is nothing in it that provides for disposal. It says it shall be set aside pursuant to section 101 of the act.

Mr. AIKEN. The people who are promoting enormous price depressing surpluses are not particularly interested in disposals. The thing they are interested in is to accumulate such crushing surpluses that the farmer will always be controlled and directed by the executive branch of the Government.

Mr. WILEY. I wonder whether I could ask a question of the Senator from Minnesota. Why is the word "may" changed to "shall," if it is not for the purpose of creating a frozen condition?

Mr. HUMPHREY. Mr. President, will the Senator yield to me so I may answer the Senator's question?

Mr. AIKEN. I yield 1 minute.

Mr. HUMPHREY. I point out that it is in compliance with section 101 of the Agricultural Act of 1954. It would bring in corn; that is all. The set aside is for the purpose of the calculation of the price support level upon corn. It does not freeze it at all. In section 103 of the act of 1954, there is contained a request to the Department of Agriculture to dispose of these items, not to freeze them.

Mr. AIKEN. Let me read the plank of the Farmers Union platform which the amendment intends to carry out. It is plank No. 11, Evernormal Storehouse:

We advocate the building and maintenance of safety reserves, equal to at least 1 full year's domestic and export needs of farm commodities and their products and an adequate dispersed storage reserve of fertilizer, insecticides, machinery and other supplies needed by family farms. This safety reserve of food and fiber should be handled in such a way as not to have a price-depressing effect upon the market. CCC should be fully reimbursed for stocks transferred to the safety reserve. The national safety reserve should be established under the Stockpiling Act separate from Commodity Credit Corporation stocks.

With respect to cotton, it calls for 9 million bales of cotton to be perpetually in that reserve.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. It calls for several hundred million bushels of wheat to be kept perpetually in that reserve.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HUMPHREY. I wish to discuss this matter in a spirit of fair play and on the basis of the facts. If the Senator from Vermont will refer to the act of 1954, under the set aside provisions, he will find that we are not talking about a security reserve. We are merely amending the act of 1954. That is the act which the President himself sent to Congress, and is in his own language.

Mr. AIKEN. The proposal of the Farmers Union and the amendment of the Senator from Minnesota make no mention of disposing of the 10 million bales of cotton.

Mr. HUMPHREY. It amends the act of 1954. If the Senator will read sections 101, 103, and 105, he will find the terms of the disposal. I say in a most friendly manner that this does not concern a national safety reserve. I had such an amendment, but it has not been offered. Many Senators who have worked on the amendment believe in flexible price supports.

Mr. AIKEN. What is the difference between the Farmers' Union program and what the Senator has offered? He hands in an amendment on one sheet of paper, and the other 95 Senators have not seen that sheet of paper. How are we to know what the heading is, whether it says national reserve or agricultural abundance, or whatever it may be?

Mr. HUMPHREY. I asked the clerk to read it. I went over it 2 or 3 times. I asked for the attention of my colleagues. I tried to explain exactly what it would do. I say most kindly to the Senator that all it does is to amend the act of 1954. There is not even a tinkling of the Farmers' Union to it. I believe the Senator from Vermont introduced the set-aside provision in connection with the act of 1954.

Mr. AIKEN. This is what is called one of those little "clarifying amendments", which could tie up the American farmer for years to come. I have given my opinion on the amendment. I do not know that there is anything to be gained by talking and taking any more time on it.

If one of the purposes of offering the amendment, if it is adopted, is to invite a veto, such action is superfluous. I have not talked with the President as to what he would do in connection with the bill. I do know that there are provisions in the bill already as it stands now to warrant 2 or 3 vetoes, and possibly 3 or 4 vetoes. That would be up to the President. I say the proposed accumulation of the stocks, whether they are under lock or key or wherever they are, is bound to have a deterrent effect on farm prices in this country, and it will seriously affect the right of the American farmer to make his own choice as to what type of farming he is going to do and how he will do it.

Mr. NEELY. Mr. President, I ask unanimous consent to make a brief announcement.

The PRESIDING OFFICER. Is there objection?

Mr. AIKEN. To which side will the time be charged, and for how long does the Senator from West Virginia intend to speak?

Mr. NEELY. For not more than 2 minutes.

Mr. JOHNSON of Texas. Mr. President, I yield two minutes on the bill to the Senator from West Virginia. We are operating under a unanimous-consent agreement, and I will yield 2 minutes to the Senator from West Virginia on the bill.

Mr. NEELY. Mr. President, I give notice that it is my purpose to break my prolonged and profound silence tomorrow by addressing the Senate Deo volentet for not more than 20 minutes. My text will be from the Sermon on the Mount, as follows:

Use not vain repetitions, as the heathen do: for they think that they shall be heard for their much speaking.

Let your communication be, yea, yea; nay, nay: for whatsoever is more than these cometh of evil.

The texts will be followed by an exposition of the cost to the farmers, of senatorial blah, blah, blah for the past 27 days, when we should have been "yea-ing" and "naying" and working for farmer relief.

Mr. McCARTHY. Mr. President, will the Senator yield 10 seconds?

Mr. AIKEN. I yield to the Senator from Wisconsin.

Mr. McCARTHY. I should like to say that the Senator from West Virginia has certainly made an excellent point.

Mr. AIKEN. I would have yielded the time to the Senator from West Virginia if I had known what he would speak about, or if I had known he would say what he did say. What he said just now is what I said at least 2 weeks ago.

Mr. JOHNSON of Texas. I did not know what the Senator from West Virginia was going to say, but I trusted him, and I am sure I have profited from my yielding him 2 minutes, as we always do when we yield to the Senator from West Virginia.

I now yield 5 minutes on the bill to the former Secretary of Agriculture, the junior Senator from New Mexico. I hope we may have order in the Senate, and I hope the Senator from Vermont will follow very closely what the Senator from New Mexico has to say, because I believe he will explain the amendment in terms that even the Senator from Vermont will understand.

Mr. ANDERSON. Mr. President, I should like to ask the Senator from Minnesota if he really feels that he must put the cotton quantity up to 10 million bales. I personally would like to vote for something that could go to conference in connection with the surplus problem. If he reduced the cotton provision from the maximum of 10 to a maximum of 8, and the minimum from 9 to 7½, I believe it would be a better amendment.

Mr. HUMPHREY. Mr. President, will the Senator restate his request?

Mr. ANDERSON. I wonder whether the Senator from Minnesota would reduce his maximum from 10 to 8, and his minimum from 9 to 7½.

Mr. HUMPHREY. Mr. President, I so modify my amendment.

Mr. ANDERSON. If the Senator will modify his amendment in that way, I believe I can explain why I would be

interested in the amendment, and not too unwilling to vote for it. I do not believe the amendment has any connection with the program of the Farmers Union. It comes directly from the Agricultural Act of 1954. I say again that I was one of very few Senators—I believe the Senator from North Dakota and I—who voted against the set-aside in committee. I voted against it on the theory that to adopt such a provision would merely sweep the problem under the rug and not dispose of it.

The Secretary of Agriculture has launched a program of trying to dispose of surplus cotton, wheat, and other commodities. I should like to have Congress say to him, "We want them moved within a specific time." I tried to present in the Committee on Agriculture and Forestry a recommendation that we require the Secretary to dispose of the surpluses within 4 years or 5 years. We did not do it, and we added to the set-aside. There are provisions in section 103 that make sense to me. They provide that the Secretary may reduce the set-aside in accordance with the directions of the President.

Everything that was done in connection with the disposal was at the direction of the President. The last farm bill was sponsored in a Republican Congress. It was a very good bill, and it has disposed of a great many commodities.

Mr. WILEY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. WILEY. I should apologize for my ignorance. The cotton is on hand. What is the real advantage of using the phrase "setting it aside"? Is it to be placed in a corner somewhere so that there can be more adequate disposition of it? What is the purpose? How much does it cost to set aside 10 million bales of cotton?

Mr. ANDERSON. The Secretary now has 14 million bales of surplus, and a visible supply of more than 25 million bales of cotton. A situation has grown up which needs correction. This is not a political situation at all.

Mr. WILEY. I did not say it was.

Mr. ANDERSON. Secretary Benson, when he became Secretary of Agriculture, inherited at the end of the crop year 3,600,000 bales of cotton. The next growing season he picked up about 6 million bales. That probably was not his fault. I should say it surely was not his fault. Quotas should have been put on the year before. He ended with 9 million bales of cotton. That is even less than the figure which the Senator from Minnesota is now willing to accept. But since Mr. Benson has been Secretary of Agriculture the quantity has grown from 9 million bales to 14 million bales. We cannot look at it forever and say it is going on forever. We have written into the bill a provision that cotton acreage is to be frozen for the next 2 years. The Secretary of Agriculture ought to know that 9 million bales should be disposed of under the very fine language of the Agricultural Act of 1954 which was requested by the Secretary and glowingly approved by the President of the United States.

Mr. WILEY. The Senator does not mean disposal, does he?

Mr. ANDERSON. I do mean disposal.

In the previous bill there was no legislative history to indicate that we expected the Secretary to get rid of these surpluses.

I think Congress, in view of what has been said by the author of this amendment, well knows that we should get rid of the surplus now. I have not criticized the efforts of this administration; I have supported them steadfastly.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. JOHNSON of Texas. I yield 2 minutes to the Senator from New Mexico.

Mr. ANDERSON. I must admit that neither flexible supports nor rigid supports will work when we have on hand these enormous quantities of goods. I want to wipe the slate clean and start over again.

Mr. SMATHERS. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. SMATHERS. Does the Senator believe that one could support this amendment and still be true to the theory of flexible supports?

Mr. ANDERSON. If I did not think so, I would not support it. If I have not battled for flexible supports in season and out of season, I do not know who has. I made such a recommendation in 1945. In 1948 I renewed it. In 1949 I battled for it on the floor, and I still believe in it.

Mr. SMATHERS. Is it the Senator's understanding that if the surpluses are disposed of, the theory of flexible supports will work even better?

Mr. ANDERSON. They will have a chance to work. I believe they will work. I believe it strongly, but I cannot find out, because there are quantities of products on hand that will not let them work. We have such an enormous surplus of wheat on hand that there is no chance for flexible supports to work in that situation.

Mr. SMATHERS. The Senator, who has consistently voted for a flexible price-support program, can now support this particular amendment and do so consistently?

Mr. ANDERSON. I think so. It is like a great many amendments I have seen accepted on the floor. They go to conference. In the conference we may find they are not the last word in human wisdom, and the conferees may recommend a different disposition of the surpluses.

Mr. THYE. Mr. President, will the Senator from New Mexico yield?

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the Senator from New Mexico.

Mr. ANDERSON. I yield to the Senator from Minnesota.

Mr. THYE. Would it have the effect of raising price supports?

Mr. ANDERSON. I think it would, but not in the case of corn. The corn amendment, which was accepted without a murmur, automatically worked to raise the price of corn.

Mr. THYE. It would, therefore, effect the raising of price supports. Why did the Senator from New Mexico vote for lower price supports?

Mr. ANDERSON. That is a very simple question. If this raises the price support on cotton from 87 percent, and the Secretary has announced that he will move it next year to about 89 percent, why does not the Senator find out from the Secretary about the situation? Of course, we realize that there are difficulties to these problems. I voted against a two-price system on wheat. I voted against the amendment concerning milling quality wheat. I started out to support the amendment of the junior Senator from North Dakota, but I am saying that I am not going to vote for the amendment on the ground that it will raise prices. I shall vote for it in the hope that the conference will deal with the surplus question in unmistakable language. If it does not, the Secretary will have to support prices at a higher level, or refuse to do so. He has full authority to ignore the whole sliding scale, if he wishes to do so.

Mr. THYE. Mr. President, will some Senator yield me another couple of minutes? I asked for the time, but the Senator from New Mexico used it up.

Mr. JOHNSON of Texas. Has the Senator from Vermont any time that is unused?

Mr. AIKEN. I promised 10 minutes to the Senator from Florida.

Mr. THYE. Mr. President, if I cannot have a couple of minutes I can offer an amendment that will give me all the time I desire.

Mr. JOHNSON of Texas. Mr. President, my time has expired. I yield 2 minutes on the bill to the Senator from Minnesota.

Mr. THYE. I thank the majority leader.

I have great admiration and respect for the distinguished Senator from New Mexico, and I do not wish to be out of step with him. I was out of step with him when we voted on the question of 90-percent supports. I was taken to task because I had not seen fit to follow the distinguished Senator from New Mexico who knew all there was to know about the Department of Agriculture, because he had been Secretary of Agriculture. But I said I could not support the Senator because he wanted to go down with the farmers' prices and I wanted to go up with them. Therefore, we differed.

The Senator now proposes to go in the back door and start up the back stairs and go up 2 or 3 percentage points on cotton and corn. That is what I tried to do by going through the front door. I should like to go through the front door instead of through the back door, but I will stand with the Senator after we get up to the next landing. I shall vote for it even though it does come through the back door.

Mr. AIKEN. Mr. President, I yield myself 1 minute to say that I have

apparently located the real source of this amendment.

I said it was in the Farmers Union platform. It is. Apparently it originated in a report made to the Senator from Louisiana [Mr. ELLENDER], chairman of the Committee on Agriculture and Forestry, on April 14, 1952, a report written by the then Secretary of Agriculture Charles Brannan.

Mr. Brannan now being the counsel for the Farmers Union, it is only natural that they like Mr. Brannan very much and get along with him very well, and tried to help him do the best he could with what he had.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, will the Senator from Texas yield me 1 minute on the bill?

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Minnesota on the bill.

Mr. HUMPHREY. Some Senators have been trying to ascertain where the amendment came from. I was its sponsor, together with the junior Senator from North Dakota [Mr. YOUNG]. So that my colleagues may understand, we really did not have an opportunity to consult with the legislative reference service, as the Senator from Vermont has proposed.

I hope I am not divulging any secrets when I say that a number of Senators have been discussing this proposal for several days.

My good friend, the Senator from Virginia [Mr. BYRD], indicated that he was not in support of it, but he said, "Senator, if you are looking for a means to try to make the flexible price-support program a little more meaningful, why do you not think in terms of amending the set-aside section?"

I got some good advice from the Senator from Virginia. He did not agree with the purpose I had in mind, but I thank him here, on the floor of the Senate, for the fine advice he presented to me.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. AIKEN. Mr. President, I yield 10 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, I have been laboring under the impression that we were all trying to bring out a bill which would effectively deal with the present critical farm situation and yet be of such a nature that the President could sign it. I have been hoping, during the more than a year we have been working on the matter, that we were all working toward substantially the same end. I have come, in the last few minutes, to question whether we are all working toward that end, because it seems to me that the adoption of the pending amendment would so clearly place responsibility on those who urge it and those who vote for it for a veto of the bill, and would place upon them the responsibility of accepting the failure of this long-extended effort. In effect it would be a statement to the public in general, and the farmers in particular, that although we have planned many good things in the bill for them, such as

the soil bank, such as the extension of \$500 million more to purchase surpluses, and various other provisions, that we are going to throw them all overboard by trying to play the old shell game again with our farmers and those who handle their products.

The farmers are not that unintelligent, and the public is not that unintelligent. The farmers and the public both are going to understand perfectly well that when we set up the set-aside, which was created for a definite purpose in 1954, through the extravagant figures stated in the amendment, we will be in effect saying that by wishing out of existence, by playing the old shell game and imagining out of existence the immense quantities of surpluses, we will be creating a different situation under which a self-respecting Department of Agriculture could say the surplus is so reduced that they will put in force much higher price supports than could possibly be the case if we looked realistically at the present situation.

While I do not claim to have the great knowledge of this subject that some of my friends have, I think I know something about the psychology of farm people. I was raised among them and have been a part of them. I happen to live in one of the biggest farming counties of one of the best agricultural States of its size in the Nation. I represented that farm county in the State legislature for 10 years, then served as Governor of the State, and have since represented my State in the Senate of the United States for 10 years.

I maintain that Congress will be held up to absolute ridicule if it seeks to apply this kind of remedy at a time of grave trouble and disaster, and seeks, instead of trying to provide helpful legislation, to say that by a device, by mere shenanigans, by mere wishful thinking, we can ignore the huge quantities of cotton, wheat, and corn, such as are mentioned in this particular amendment.

I have before me the figures of the amounts of corn and wheat on hand. It simply seems to me that to say that by our wishful thinking we can wish them out of existence, particularly in the case of corn since we will probably have about 1 billion bushels carryover on hand, we shall in effect, hold ourselves up as having trifled with public opinion all this time and as having not seriously addressed ourselves to the consideration and passage of a bill which effectively, in many particulars at least, dealt with the difficult situations of many of our farmers. I do not believe we can get by with this kind of action.

So far as I am concerned, I would not want to put myself in a position of inviting a veto, inviting failure, inviting disaster, and inviting the disappointment of the good people of this country, who are looking to Congress to bring something useful and workable out of a long discussion and consideration of this bill. I feel I would be doing just that if I voted for the amendment. Therefore, I certainly cannot even think of voting for an amendment which does little credit to the intelligence of the farmers of the country and the intelligence of

the general public. They will see it for exactly what it is—a device which seeks to wink at the fact that we have heavy surpluses on hand, and which would raise the price supports to figures substantially as they would exist if we had no surpluses at all.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. The Senator says "a device which seeks to wink." Was the Agricultural Act of 1954 a device that sought to wink?

Mr. HOLLAND. The distinguished Senator from New Mexico, of course, seemed to think so, because he opposed set-asides. I did not, because I thought there was some basis for set-asides at that time. We were embarking upon a very serious and large program, and there were surpluses on hand which had been created during the Korean war, as a result of very strong appeals from the Government. We tried to set them aside.

But now the set-aside has proved very clearly that it is not useful and is not giving us better prices at all. It has not done us any good in that regard.

I heard the distinguished Senator say only the other day on the floor—and I hope I do not misquote him—that the very existence of the surpluses, whether they were called set-asides or not, was what was causing the debacle in farm prices and the great difficulties for our farmers.

I simply think we are kidding ourselves, and nobody else, for by this device we greatly increase the set-asides on not nearly so good a basis as existed when they were established in 1954, and invite upon ourselves the wrath of the people, who would say, with some justice, in my opinion, that by taking this step we had deliberately crucified a bill which still had many elements of strength in it.

Mr. ANDERSON. The situation in cotton was that we had 9 million bales and set aside 4 million. At present, we have 14 million bales and propose to set aside 8 million. Why is that any shenanigan?

Mr. HOLLAND. The first was an effort to cope realistically with a condition that had been promoted by a definite effort of the Government to invite and insist upon greater crops to deal with the Korean situation. No such situation as that faces us now.

In addition to the fact that my distinguished friend thought poorly of the program at that time and opposed it, I call his attention to the fact that it has been clearly proved by the history we have had under it up to this time, that it does not justify greater supports. To the contrary, it has launched us upon a program of even more calamitous prices for farmers. It has brought disaster to them. This would be just an effort to again try to fool people who have been fooled once, and who I do not think will be fooled again.

Mr. ANDERSON. I only seek to try to get a way whereby the surpluses can be disposed of. The Senator from Florida knows very well that I have been urging the passage of a bill which would

require the disposition of the surpluses in 4 or 5 years. I introduced on the first day of the session a bill to require the Secretary of Agriculture to come under the surplus disposal program.

Mr. HOLLAND. I have commended my friend on that stand and would be ready to support him in it now.

But I call the Senator's attention to this fact: By putting all these bales of cotton and all these bushels of wheat into a set-aside, we are not making these commodities more available for sale, and are not by any means dealing realistically with a program to require their sale. The distinguished Senator has, in effect, said that, as I understood him a little while ago. He said he was not thinking of supporting the amendment because he thought it in itself would be good, but because he thought that in conference, with that language in the bill, the conferees would bring out a more mandatory program for surplus disposal. I tried to quote the Senator correctly, and if that is not correct I yield to him for a correction of my statement.

Mr. ANDERSON. It is nearly correct. I said if this does not seem to accomplish it, then in conference, perhaps it could be accomplished, but if all effort fails, it will at least point up the situation and show we have accumulated 500 million bales of cotton after the peak supposedly was reached after the Korean war. We have not exported the cotton. There apparently is no intent to export it until after Congress adjourned.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. Mr. President, may I have 2 more minutes?

Mr. AIKEN. If the Senator will yield first, I wish to point out how ridiculous the proposals are in requiring the Secretary to set aside 9 or 10 million bales of cotton, when all the cotton owned by the Commodity Credit Corporation is 6,798,000 bales. In other words, he is directed to go out and buy cotton to set aside. He is directed to set aside 800 million bushels of wheat. He could do that, because the Commodity Credit Corporation owns 806 million bushels.

This is ridiculous. I think it is worthy of a stronger word than that.

Mr. HOLLAND. I do not think the Senator from New Mexico needs anyone to defend him, but first I wish to call attention to the fact that the figures have been reduced. Secondly, I point out that the Senator from New Mexico, in mentioning the large figures mentioned, in addition to the stocks already held, stocks on which loans have been made. That is perfectly compatible with figures which have been used on the floor.

Mr. AIKEN. If anyone did not have interest enough to find out how much the Commodity Credit Corporation owned before putting the figures in the original amendment, I would say the amendment was not exactly an amendment to improve the farm economic situation.

Mr. HOLLAND. I do not care to make charges. We are all trying to make a constructive suggestions. I know we are all tired. Some of us—and I may be one—are not thinking too clearly. From where I sit it looks as though this is an

invitation to those who are invited to support the measure to accept responsibility for killing the pending measure, upon which we have spent thousands of man-hours, in the most serious effort made on any one bill since I have been a Member of the Senate.

I would not feel that I had done my duty to my colleagues, or to my constituents, or to the public if I did not say that, in my opinion, this proposal does not have behind it the soundness of judgment which justifies our support of it. To the contrary, we are being invited to take a position which says we do not want any bill, because I feel that it is not a bill which will receive the approval of the President.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. EASTLAND. I do not think any Member of this body would question the motives of the distinguished Senator from New Mexico. I certainly do not.

Mr. HOLLAND. I do not, nor do I question the motives of the Senator from Minnesota.

Mr. EASTLAND. They are very conscientious, and have contributed greatly to agriculture. At the end of this cotton year, there will be about 11 million bales.

Mr. ANDERSON. Exactly.

Mr. President, will the Senator yield?

Mr. HOLLAND. I have yielded to the Senator from Mississippi.

Mr. EASTLAND. I am not in favor of the amendment of my friend from Minnesota, but I think both Senators are very conscientious, and both of them have rendered a real service to agriculture.

Mr. HOLLAND. There is no question about that.

In the closing hours of the debate, which has exhausted all of us—and probably the public is more exhausted than we are by our gyrations on the floor of the Senate—we are being asked to approve a provision which is poison to the bill, and which will not, after we get home and have a chance to survey what we have done, be the subject of pleasure or create any feeling of credit to those who support it. If I did not feel that way completely, I would not make this statement on the floor.

I hope the amendment will not prevail, but will be voted down.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. I was wondering if the Senator speaks from authentic information when he says this is poison and the end of the bill. I thought the principle of set-aside was established by the President's recommendation a year or so ago, which resulted in the Agricultural Act of 1954.

Mr. HOLLAND. It was; and for the purpose which I just stated, which was an allowance to the farmers for having in good faith brought about surpluses, which they did under urging from the Government to produce crops to meet the needs of the Korean period. That situation does not exist now, and for us

to simply stand or sit here and try to wish out of existence enough bales of cotton to fill all the warehouses in the country will be to bring about a situation in which the whole public will question the sincerity of those of us who worked so hard to bring out legislation. I could not retain my own self-respect without rising to say that I could not support the amendment, and I think it would be the height of unwisdom to do so.

The PRESIDING OFFICER. All time has expired.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Has all the time been used?

The PRESIDING OFFICER. Yes.

Mr. JOHNSON of Texas. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. I ask unanimous consent that I may suggest the absence of a quorum, and that immediately thereafter the Senate may proceed to vote.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. Mr. President, I have no objection to the quorum call, but I think it may be advisable, in view of the fact that some Senators are absent, that we have a minute or two on each side to make a statement.

Mr. JOHNSON of Texas. I modify my request so that 3 minutes may be allowed on each side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Green	Mundt
Beall	Hayden	Murray
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Jackson	Robertson
Byrd	Jenner	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Lehman	Thurmond
Douglas	Long	Thye
Duff	Magnuson	Watkins
Dworshak	Malone	Welker
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Young
Flanders	McCarthy	
Frear	McClellan	

The PRESIDING OFFICER (Mr. McNAMARA in the chair). A quorum is present.

The Chair understands that 3 minutes have been allotted to each side.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Vermont desire that I yield time first?

Mr. AIKEN. Certainly.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from North Dakota [Mr. YOUNG].

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 1 minute.

Mr. YOUNG. Mr. President, we have already had no less than 16 imaginary vetoes of the bill by the President of the United States. I do not think the President will split hairs, as has been suggested here today; I think he will be fair. Secretary Benson has already promised the cotton farmers 86 or 87 percent of parity. I have no objection to that; and I admire the Senators from the cotton States because they will stand up here and help the wheat farmers get fair treatment. Besides, the Senators who represent the wheat farmers are mostly Republicans [laughter], and about the only way we can get help for the wheat farmers is through legislation of this kind.

Mr. President, last year in the committee I voted against the set-asides, and this year I voted against them. I objected to their being used as a device to rig price supports. But that apparently is the sole purpose for which the Secretary used them in the last 2 years. I learned a lesson from Secretary Benson. If the only way we can get a halfway decent price support for the wheat farmers is through rigging the set-asides, as the Secretary has been doing, then I think we are completely justified in doing so.

Mr. AIKEN. Mr. President—

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, I have heard the comments relating to the President of the United States and to the Secretary of Agriculture which have been spoken on this floor tonight. I wish to say that the Secretary has carried out the letter of the law. The President in 1954 had the good sense not to ask that the entire stock of the Commodity Credit Corporation be set aside. He asked to have from 400 million to 500 million bushels of wheat set aside, and from 3 million to 4 million bales of cotton set aside.

Mr. President, 3 million bales of cotton were set aside. 500 million bushels of wheat—the maximum amount—were set aside. The Secretary was authorized to deduct from those set-asides only the amounts needed for certain purposes: donations, sales, or other disposition for disaster or other relief purposes outside the United States, pursuant to and subject to the limitations of title II of the Agricultural Trade Development and Assistance Act of 1954; sale or barter, including barter for strategic materials, to develop new or expanded markets for American agricultural commodities; donation to school-lunch programs; transfer to the national stockpile; donation,

sale, or other disposition for research, experimental, or educational purposes; and donation, sale, or other disposition for disaster relief purposes. That is what has brought about the reduction in the set-asides.

We now have 2,605,645 bales left, of the original 3 million bales of cotton set aside. The other bales have been used for barter or for relief. We have, out of the 500 million bushels of wheat originally set aside, 411,107,605 bushels left. The rest has been used for relief purposes and for assistance in foreign countries, as was required by law. The President never requested anything as ridiculous as this amendment. The Secretary has complied absolutely with the law.

The PRESIDING OFFICER. The Senator from California has 1 minute remaining.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER. The Senator from Florida is recognized for 1 minute.

Mr. HOLLAND. Mr. President, I have concluded my remarks. If the Senator from California wishes to yield back the time, that will be satisfactory to me.

The PRESIDING OFFICER. The Senator from Texas has 2 minutes remaining.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the distinguished Senator from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. Mr. President, how have we gotten into our present position? In January 1954, the President of the United States sent to the Congress a message in which he said that, in order to make the program effective, the surpluses existing when the new program went into operation must be insulated from the normal channels of trade, and must be devoted to special uses. I could cite the rest of it; but he was telling us that these surpluses should be put aside.

Secretary Benson said, in a speech on March 5 of this year:

A year and a half ago Congress passed the Agricultural Act of 1954, which moved toward a more realistic use of the essential tools of price support. But the Agricultural Act of 1954 is smothered beneath the surpluses accumulated under past 90 percent price support programs.

We are here today, realizing that that smothering still exists. When this act came before the Congress in 1954 we had a surplus of 9 million bales of cotton. Today we have a surplus of 14 million bales. This amendment proposes to raise the set-aside by 4 million bales, instead of 5 million bales.

When Congress previously dealt with the question of wheat, we had a surplus of 500 million bushels. Today we have a surplus of 1 billion bushels.

Have not the facts changed? If we follow the recommendations made, what is wrong with such action?

I have tried constantly to support the agricultural policy which the President has announced; but the one thing that condemns both the 75-90 percent supports and the flat, rigid 90 percent price

supports is the fact that, as the Secretary of Agriculture has said, they are smothered under the pile of surpluses.

We may be uncertain about other things, but we know that if we want to strike one blow for the farmer we should start to move the surpluses. That would help him. If the surpluses are set aside so that we cannot avoid them we shall know where they are and we shall deal with them. Once before we swept them under the rug. There was no debate to prove that the surpluses had to be disposed of. This time we are insisting that there be disposition of the surpluses; and I think there should be. In my opinion this amendment would help toward disposition of the surpluses.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

The Senator from California [Mr. KNOWLAND] has 1 minute remaining.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time, and ask for a negative vote on the amendment.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY], as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. PURTELL] is necessarily absent and, if present and voting, he would vote "nay."

The Senator from New York [Mr. IVES] is absent because of illness, and if present and voting, he would vote "nay."

The result was announced—Yeas 50, nays 44, as follows:

YEAS—50

Anderson	Hill	Monroney
Barkley	Humphrey	Morse
Bible	Jackson	Mundt
Case, S. Dak.	Johnson, Tex.	Murray
Chavez	Johnston, S. C.	Neely
Clements	Kefauver	Neuberger
Daniel	Kennedy	O'Mahoney
Douglas	Kerr	Pastore
Ellender	Laird	Russell
Ervin	Langer	Scott
Frear	Lehman	Smithers
Fulbright	Long	Sparkman
George	Magnuson	Symington
Gore	Mansfield	Thurmond
Green	McCarthy	Thye
Hayden	McClellan	Young
Hennings	McNamara	

NAYS—44

Aiken	Curtis	Martin, Pa.
Allott	Dirksen	Millikin
Barrett	Duff	Payne
Beall	Dworshak	Potter
Bender	Eastland	Robertson
Bennett	Flanders	Saltonstall
Bricker	Goldwater	Schoeppel
Bridges	Hickenlooper	Smith, Maine
Bush	Holland	Smith, N. J.
Butler	Hruska	Stennis
Byrd	Jenner	Watkins
Capehart	Knowland	Welker
Carlson	Kuchel	Wiley
Case, N. J.	Malone	Williams
Cotton	Martin, Iowa	

NOT VOTING—2

Ives Purtell

So Mr. HUMPHREY's amendment, as modified, was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider

the vote by which the Humphrey amendment was as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Minnesota to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there is no further amendment to be offered—

Mr. STENNIS. Mr. President, I call up my amendment.

The CHIEF CLERK. The junior Senator from Mississippi [Mr. STENNIS], for himself and the senior Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Georgia [Mr. GEORGE], the Senator from South Carolina [Mr. THURMOND], and the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], offers an amendment, to insert at the proper place in the bill the following:

COTTON—SMALL FARM ALLOTMENTS

SEC. 403. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided, That there is hereby established a national acreage reserve consisting of 100,000 acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be 1,000 acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall be not less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 percent of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to sub-

section (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreages)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) 4 acres; or (b) the highest number of acres planted to cotton in any year of such 3-year period."

(d) The first sentence of section 344 (f) (6) of such act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determined that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the 3 years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such 3-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 percent of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 percent limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops.

Mr. STENNIS. I modify the amendment on line 4, by striking out the words "an amount" and inserting in lieu thereof the words "100,000 acres."

The VICE PRESIDENT. The Senator may modify his amendment.

Mr. STENNIS. And additionally, on lines 5 and 6, by striking out the words "equal to one per centum of such national acreage allotment."

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield myself 15 minutes. I am very happy to yield to the Senator from New Mexico.

Mr. ANDERSON. Does the amendment take one acre away from the States that we discussed the other day?

Mr. STENNIS. The Senator from New Mexico asks whether it takes any acreage from the States that are involved in the so-called small farms provision. The answer is it does not take away one acre from any State.

Mr. ANDERSON. So in effect it is an increase of 100,000 acres in the total national allotment, and charges nothing

against the States of Arizona, Texas, or California?

Mr. STENNIS. The Senator is correct. It takes away no acreage from any State. It merely adds the round number of 100,000 acres to the present national allotment. It does not disturb the history of the acreage allotments or the history for future years.

Mr. ANDERSON. How has the Senator from Mississippi protected the historical situation so that the 100,000 acres will in no way affect the history? Is there specific language in the amendment to that effect?

Mr. STENNIS. Yes; there is specific language in the amendment. That point is expressly covered. It is the same language contained in the present law. It is language which is well understood. The sole purpose of this acreage is to bring the very small farmer up to the smaller of 4 acres, or the largest acreage planted to cotton in the last 3 preceding years. It is a very-small-farm amendment, and can be used only for that purpose.

Mr. ANDERSON. Did the Senator in any way take care of the situation in the State of Nevada, to which reference was made the other day? Nevada needs a cotton gin. Farmers in Nevada are hauling cotton all the way to Arden, Calif. That is an imposition on those farmers. I see on the floor both Senators from Nevada.

Mr. STENNIS. As the amendment is written, that provision was not included in the amendment, but the Senator from Mississippi is entirely willing to include such an amendment. I think it has merit. I did not have an opportunity to confer with the Senator from New Mexico, although we had conferred on it previously. I have the necessary language before me, and I shall be very glad to offer it.

Mr. ANDERSON. I should like to say to the senior Senator from Nevada that for years I have sought to make the cotton operation in the State of Nevada a self-sufficient one, so that Nevada can maintain one cotton gin. Five hundred acres would just about make the difference between having it and not having it.

Mr. STENNIS. That point has been debated on the floor. I modify the amendment further by adding the words "except that the amount apportioned to Nevada shall be 500 acres."

ADDITIONAL ACREAGE—ECONOMIC UNIT FOR NEVADA COTTON GIN

Mr. MALONE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. MALONE. I should like to say that we now have about 2,500 acres. I am advised that to have an economic cotton operation would require about 4,000 acres. Therefore, I should like to offer a further amendment to increase the allotment from 500 acres to 1,500 acres.

After consultation, I offer an amendment to change the 500-acre figure suggested by the Senator from Mississippi to 1,000 acres. That would give us 3,500 acres, which I am informed will be suf-

ficient for an economic cotton gin operation.

Mr. STENNIS. This is on a temporary basis, and applies only for the years 1957 and 1958. I call that fact to the attention of the Senator from Nevada.

Mr. MALONE. If the Senator from Mississippi will further yield. The time can be extended in 1957 or 1958.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. ELLENDER. Mr. President, I yield myself 1 minute in order to ask a question of the Senator from Mississippi. I am somewhat confused, Mr. President. The language which the distinguished Senator seeks to amend has been stricken from the bill. It is no longer in the bill.

Mr. STENNIS. I had understood that an amendment could be prepared to be inserted at the proper place and offered in lieu of the language already stricken from the bill.

Mr. ELLENDER. The amendment which was read from the desk provided that after the quotation mark at the end of line 8 certain language would be inserted; and the language which the Senator seeks to amend has been stricken.

Mr. STENNIS. I thank the Senator very much.

Mr. President, I ask unanimous consent that the amendment may be inserted at the proper place in the bill and that the language be that of the amendment as submitted.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield to me out of my own time?

Mr. STENNIS. I shall be very happy to yield.

Mr. ELLENDER. As I understand, the amendment provides an additional 100,000 acres over and above the national acreage allotment for cotton.

Mr. STENNIS. The Senator is correct; the allotment of 1957 and 1958.

Mr. ELLENDER. And that 100,000 acres will be allocated to small farmers?

Mr. STENNIS. Exclusively.

Mr. ELLENDER. On the basis of need?

Mr. STENNIS. The Senator is correct. It will be used exclusively for those described small farmers, and in the States based on need.

Mr. ELLENDER. And this will be in addition to what the States themselves will provide for small farmers out of the State reserves; is that correct?

Mr. STENNIS. This special provision will be used exclusively for that purpose, to take care of the small farmers. An estimate has been made as to how much will go to each State, but it is all based on the percentage of need in relation to the entire picture.

Mr. AIKEN. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I am familiar with the revised amendment offered by the Senator from Mississippi, and I, for one, have no objection whatever to the language being added to the bill.

Furthermore, I wish to take this opportunity to say that regardless of what happens to the measure before us—and the outlook is not too promising at this time, as we all must recognize—I think there will be a good cotton program this year and that we will recover some of our lost world markets for cotton. If that is accomplished, the cotton growers of the South will be indebted to the Senator from Mississippi and his senior colleague for their steadfast work in behalf of the cotton farmers of this country.

Mr. STENNIS. I thank the Senator from Vermont.

Mr. HUMPHREY. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield to the Senator from Minnesota.

Mr. HUMPHREY. This amendment would not take acreage away from any other State. It is simply an addition for the benefit of small farmers?

Mr. STENNIS. That is correct.

Mr. HUMPHREY. May I say, further, that the Senator has steadfastly urged this kind of legislation, as I recall, in the committee, and I should like to commend him. I think he is again performing a great service for his people and for the small farmers of the Nation.

Mr. STENNIS. I thank the Senator from Minnesota.

Mr. LANGER. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. LANGER. The Senator has time and again used the phrase "small farmers." Does that refer to those who have 4 acres or less?

Mr. STENNIS. It applies exclusively to that group.

Mr. LEHMAN. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. LEHMAN. Mr. President, I voted in favor of the amendment the other day under more or less of a misapprehension. I did not realize that in voting for the amendment I was helping to penalize the small farmer, the man who, I think, above all, should be protected and encouraged. I am very glad indeed to have the opportunity, at least to an extent, of rectifying the effect of my vote, and I wish to thank the Senator from Mississippi for offering his amendment. I think he has rendered a fine service.

Mr. STENNIS. I thank the Senator very much, and I appreciate his fine sentiments of support.

Mr. President, in line 10, I modify the language by changing the number of 500 acres to 1,000 acres, to take care of a special situation.

Mr. MALONE. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. MALONE. Mr. President, I wish especially to thank the Senator from Mississippi for that modification.

Mr. BIBLE. Mr. President, I, too, wish to add my word of thanks and appreciation to the Senator from Mississippi for his action in this very fine cause and for his recognition of the needs of Nevada. I echo the sentiments of my colleague.

Mr. STENNIS. I hope it will meet the situation.

Mr. President, I do not care to use any more time unless some Senator has a question to ask me.

The VICE PRESIDENT. Without objection, the modified amendment offered by the Senator from Mississippi is agreed to.

The bill is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. ELLENDER. As I understand, under the unanimous-consent agreement, a motion is now in order to proceed to the consideration of the House bill; is that correct?

The VICE PRESIDENT. That is correct.

Mr. ELLENDER. Mr. President, I move that the Senate proceed to consider House bill 12.

The VICE PRESIDENT. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER] that the Senate proceed to the consideration of House bill 12. Thirty minutes will be allowed on a side in connection with the motion.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. Mr. President, I have no objection to taking up the House bill, striking out all after the enacting clause, and substituting the text of the Senate bill, as amended; but I wish to preserve the parliamentary situation, so that before final passage, we may have a division of time for such remarks as Senators may care to make on the bill itself.

Mr. ELLENDER. Mr. President, that is provided for under the unanimous-consent agreement.

The VICE PRESIDENT. If there be no objection, the Senate will proceed to the consideration of the House bill; and, under the unanimous-consent agreement, the bill will be amended by striking out all after the enacting clause and inserting the text of the Senate bill, as amended.

The Chair hears no objection, and it is so ordered.

Mr. ELLENDER. Mr. President, as I understand, we are now considering the House bill with the Senate amendment inserted as a substitute for the text of the House bill.

The VICE PRESIDENT. The Senator is correct.

Under the unanimous-consent agreement, the amendment is deemed to be engrossed, and the House bill, as amended, read the third time.

The question is on the passage of the House bill, as amended. The proponents of the bill have 39 minutes remaining, and those who oppose the bill have 76 minutes remaining.

Mr. KNOWLAND. Mr. President, I yield 15 minutes to the Senator from Vermont [Mr. AIKEN].

The VICE PRESIDENT. The Senator from Vermont is recognized for 15 minutes.

Mr. AIKEN. Mr. President, as this bill now stands, it would demoralize our farm economy.

I make this statement with a keen feeling of disappointment. Many farmers have been caught in a cost-price squeeze.

They have looked to this body for constructive action.

The Senate has been debating this measure for almost a month.

Before that, the Senate Committee on Agriculture spent many months in deliberation, and traveled many thousand miles.

The executive branch has developed a constructive program.

This program should be written into law at the earliest possible moment, so that we need not spend another year under the shadow of a \$9 billion accumulation of farm products.

It would be better to continue under the present law than to adopt the tortured and battered bill which is now before us.

The bill has been warped and emasculated beyond any visible resemblance to the program recommended by the President.

It scarcely resembles the bill reported by the committee 5 weeks ago.

More than 100 amendments have been offered, of which about half have been approved.

No farm legislation within my memory has had so much outward appeal and so many inward conflicts.

We claim to be reluctant to surrender authority.

Nevertheless, the bill delegates virtually all our authority regarding the wheat program to the big wheat farmers and to the Secretary of Agriculture.

The bill contains a formula which raises the level of price support for grain sorghum by 30 percent in some counties, and lowers it in others.

It would completely distort the normal geographical pattern of prices.

The bill abandons parity as a principle. Parity becomes a statistical stairway to the promised land. The bill turns dairy farmers back to the dark days of 1953 and early 1954, when butter pushed the Russians off the front page of American newspapers.

It would impede our progress in recapturing traditional markets for milk products.

This bill recognizes the popularity of the soil bank, but to the coattails of the soil bank are attached a number of unwise proposals, heretofore rejected.

There were at least five major provisions in the bill which would have made it contrary to the best interests of farmers prior to today's action.

If these were deleted, the bill could well fulfill the hopes our farmers have for it.

DOMESTIC PARITY PLAN FOR WHEAT

The bill contains an amendment which would hurt the small wheat farmers.

The small operators, about half the total number, presently can grow up to 15 acres of wheat without penalty.

As it now stands, the bill would saddle these small farmers with redtape, reduce their incomes, and deny them any voice in the program.

What redress would they have?

They cannot vote in the referendum.

They could write to their Senators, whose response would be that the matter had been turned over to the big wheat farmers and to the Secretary of Agriculture.

They could write to the Secretary of Agriculture.

The Secretary's response would be that he was instructed by Congress to give heed to the big operators, not the small ones.

The bill provides that the big wheat farmers can vote themselves a price which is about twice the level at which free wheat is moving in world trade.

Corn farmers will protest the excessive amounts of feed wheat dumped on them by this program.

Consumers would protest at the increased price for breadstuffs.

Friendly foreign nations would object to the disruption of their own economy.

But all these things need not alarm the Senate, because we have designated the Secretary of Agriculture to referee the conflict between the corn grower and the wheat grower, and we would have abdicated our responsibility for prices at home or in foreign trade.

If this provision shall become law, it will be a long step toward fragmentation of the national interest.

Let us be honest about the domestic parity plan for wheat.

It will mortally hurt the small wheat-grower.

It will break the prices for feed grain. Exports will not increase appreciably. We are already exporting nearly to the maximum.

Government controls will increase rather than diminish.

There will still be support prices, acreage allotments, Government storage, and export subsidies.

Besides, there will be wheat certificates, domestic food allotments, and a host of regulatory devices.

The burden would fall most heavily on low-income families and small farmers.

The provision introduces a unique—and dangerous—concept of government. The proposal would divide wheat farmers and corn farmers into warring camps.

The corn grower will not willingly permit his economy to be harmed for the benefit of the big wheat growers.

We cannot solve problems simply by shifting them from one group to another.

TWO-PRICE PLAN FOR RICE

In the bill is another feature which has survived almost a month of debate, namely, the two-price plan for rice.

Mr. President, there are less than 30,000 rice farmers in the United States. About one-half of 1 percent of our farmers produce rice. This basic commodity brings in about eight-tenths of 1 percent of our farm income. Yet rice takes up 20 percent of the space in S. 3183.

For every producer of rice there are more than 5,000 rice consumers in this country.

Biggest rice consumers are the people with low incomes and large families.

The bill would provide the machinery to transfer nickels and dimes from the many to the few.

This program would mean more controls, rather than fewer. Enforcement problems would be complex.

We would risk our friendly relationships with Burma and Thailand, relationships which are vitally important and are already strained.

The rice proposal risks what is vital in order to win that which is fleeting. It pits the special interest against the national interest. Its advocates are concentrated and its opposition is diffused.

The proposal is immature, and its passage would be untimely.

DUAL PARITY

Parity is figured by the Department of Agriculture for about 160 commodities.

The bill before us specifies that for just 4 of them—peanuts, wheat, corn, and cotton—parity must be figured 2 ways, and that the higher of the 2 methods must prevail.

If modernized parity is right for rice, tobacco, soybeans, hogs, lemons, cucumbers, pine gum, pomegranates, and 150 other commodities, why is it not right for wheat?

If old parity is right for peanuts, wheat, corn, and cotton, why is it not right for pine gum and peppermint oil?

The shift proposed in the law would boost parity prices of the four commodities by the following amounts:

	Percent
Peanuts	19
Wheat	15
Corn	11
Cotton	1

These commodities are now all in heavy supply, except edible peanuts.

To the extent that we artificially raise prices we will stimulate production, reduce consumption, increase stocks, lower free market prices, and reduce the amount that farmers can produce.

The intent of the provision seems to be, frankly, to raise support prices. For this the parity concept is violated. Indeed, this dual approach destroys the very usefulness of the parity concept itself.

High quality peanuts of the Virginia type are selling for \$50 per ton over the support level.

Let dual parity be written into the law and the price of peanuts will soon drop to the support level.

There are more direct and more honest ways to raise support prices.

Why not a formula which ties the price of peanuts to the batting average of Washington Nationals or the New York Yankees, whichever is higher? And we all know which will be higher. This

could be rationalized, since peanuts are consumed in all ballparks.

Why not a formula which makes the price of cotton inversely proportional to the mule population?

This should insure a steady rise for cotton.

The possibilities in this field are infinite.

I come now to the subject of mandatory supports for feed grains. I hope Senators from the sorghum-growing areas will listen to what I have to say on this subject.

Early in the voting, the Senate adopted an amendment which made price supports mandatory for feed grains at a level related to corn. The full significance of this amendment is not yet evident. But the specialists in the Department of Agriculture have examined it, and have some interesting results to report.

In New Mexico, the support level for the 1956 crop of grain sorghum, as presently announced, would be \$1.67 per hundred pounds. The amendment would raise it to \$1.97, an increase of 18 percent.

In El Paso County, Tex., the already announced level of price support is \$1.51.

The amendment would raise it to \$1.92, an increase of 27 percent.

In San Mateo County, Calif., the already announced level of price support is \$2.44.

The amendment would lower it to \$2.12.

But, of course, the already announced rate, being higher, is the one which would apply for 1956.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. AIKEN. I may say also for the benefit of my friend, the Senator from Texas, that his sorghum amendment will lower the price supports for sorghum along the Galveston coast.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. AIKEN. I have only a limited amount of time.

Mr. DANIEL. Would not the Senator yield simply for the purpose of acknowledging that the amendment provides that in no way shall the support price be lower than the price at which it has already been fixed?

Mr. AIKEN. Oh, yes. The already announced price is the one which would apply for 1956.

The amendment would result in support levels on adjoining farms in adjoining counties which differed 25 percent from one another.

This would be true in spite of the fact that the conditions of eligibility for price support would be identical, that no differences in the support level had previously existed, and that market prices were the same in the two counties.

For 1957, supports would be conditioned on what happened to the corn program. The corn farmers would vote on this, but the producers of other feed grains could not vote. And those feed-grain producers in States adversely affected by the new formula would have no previously announced support level to protect them, as they do in 1956.

There is a normal geographic pattern for corn prices, with prices lowest in the surplus area. There are geographic price patterns for the other feed grains, and the surplus areas differ as to location. To require uniform price support levels among these various feed grains will have disastrous effects.

Grain sorghums will pile up in the Southwest, oats will clog the elevators in Minnesota, and more corn bins will dot the Iowa landscape. Feed grain will not flow among different geographic regions as it should.

Furthermore, the amendment requires detailed crop history on many farms on which we now have no data—farms on which 1956 crops are already being planted.

This provision as it now stands cannot be made operative in 1956, and if it were it would work havoc with the feed grain—livestock economy. It is a hastily contrived piece of legislation. To send the bill to conference with this provision in it reflects no credit to this body.

BOOST IN DAIRY PRICE SUPPORTS

One of the brighter spots in American agriculture is the dairy business. Not everything is as we would like it, true enough, but things are improving. Production and consumption are coming into better balance.

During the past year, numbers of milk cows decreased 1 percent, consumption of milk increased 5 percent, per capita consumption of butter increased 2 percent, milk prices increased 1 percent, feed prices declined 7 percent, farm income from the sale of milk increased 2 percent.

Stocks of CCC-owned butter, which stood at 466 million pounds in 1954, and 250 million pounds a year ago, are down to almost nothing now. Government purchases have dropped.

In the marketing year 1953-54, the equivalent of 11 billion pounds of milk was acquired. In 1954-55 the figure was 5.7 billion pounds, and in 1955-56, purchases will be about 5 billion pounds. The American Dairy Association has increased its expenditures for milk promotion from \$2 million to \$6½ million. These efforts are paying off.

Now comes S. 3183 with a provision that turns us back toward the depressing days of 1953 and 1954. The bill as it stands requires an increase of 10 cents per hundred pounds in the present level of price support for manufactured milk, from \$3.15 to \$3.25 a hundred pounds. It will boost the minimum level of price support for manufactured milk from \$2.88 to \$3.25.

In other words, the supports would be boosted above present levels, and there would be no opportunity to lower them, even though supply might increase or demand might diminish. It will freeze a parity relationship which is already badly out of date, and will become more so. It will discourage the dairy industry from its valiant and successful efforts to promote consumption of dairy products. Why try to sell milk in the commercial market when Uncle Sam stands ready to pay more than the trade will pay?

In House Document No. 57, 84th Congress, we have a technical study of the

probable effect of changes now embodied in S. 3183. According to this House document, there would be a further increase in milk production of about 600 million pounds a year.

Milk consumption would fall about a billion pounds below what it would otherwise be.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield 10 additional minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, Government costs for the dairy program, which during the last year of record totaled \$440 million, would rise by approximately \$75 million.

These are figures from House Document No. 57.

The results of enacting this provision might seem advantageous to those dairy-men who are shortsighted. But those who are farsighted or have normal vision will recognize the same old siren song that let their ship onto the rocks before.

Mr. President, we have an agricultural law on the books which is fundamentally sound. It is presently smothered with the mistakes of the past. The soil bank is intended to clear away the debris, so that this sound law can operate. The soil bank, as now embodied in Senate bill 3183, has become encumbered with unwise provisions which defeat its very purpose.

If Senate bill 3183 becomes law we shall be spending a billion dollars to decrease our surplus and another billion to pile it higher. What we would do with our right hand we would undo with our left. We have been using temporary palliatives to rescue agriculture for a considerable number of years. And during this time the patient's health has steadily grown worse.

If the unwise provisions of Senate bill 3183 had been left out of the bill we could have in operation in 1956 a program that would take farmers out from under the crushing surplus burden and greatly increase their income. In fact, it is conceivable that American farmers could have the best year in our agricultural history.

Now we have to rely upon the conference committees to undo the ill-advised action of the Senate. Whatever is done, however, should be done quickly. We have already delayed too long.

Presumably, House and Senate conferees will consider this bill. It is my earnest hope that the results of their considerations will be such that a sound and acceptable bill, minus the objectionable features to which I have referred, will quickly be sent to the President's desk for his approval.

Mr. JOHNSON of Texas. Mr. President, I yield 4 minutes to the Senator from North Dakota [Mr. Young].

Mr. YOUNG. Mr. President, the agriculture bill, which the Senate is about to consider in its final form, I think is a pretty good bill. It is not all that farmers need, but it is a step forward. There is no 90-percent support provision in it, and I think 90-percent supports are completely justified. It will provide a little increase in price sup-

ports of from 5 to 10 percent. To that extent it will give farmers some relief. The big wheat farmers of the Nation will, of course, be disappointed that they now have a \$100,000 limitation on the amounts of price supports they can receive. They will be disappointed, too, because they liked a bill such as the Aiken Act of 1948.

The soil-bank provision as proposed by the President is now in the bill. The Senate gave him all he asked for, and I think more, too. It certainly is as liberal as it possibly can be in all respects.

Senators are laughing. I do not think it is a laughing matter, Mr. President, because everything the President asked for is in the bill, plus an authorization to go further.

One disappointment, so far as the administration is concerned, is the mandatory provision of the soil bank. The administration wanted it completely voluntary. The adoption of the Holland amendment makes it mandatory now, at least in part of its application. I think that is a disappointment to the administration. Certainly, Secretary Benson did everything he possibly could do to oppose any mandatory provision.

There will be a little relief for the dairy farmer. Price supports will be raised 5 percent. That will particularly help the dairy farmers in the Midwest. Certainly 5 percent is not going to wreck the dairy price-support program, particularly when the top price support will be only 80 percent of parity.

Next year feed grains will get about a 5 percent increase in supports. That will be considerably below what supports for feed grains were 2 or 3 years ago. They will, however, still have to be at a level 5 percent below that established for corn. Certainly there is nothing unreasonable about this small increase in feed-grain supports.

The two-price system on the domestic parity plan for wheat is now in the bill substantially as proposed by the National Grange, the second largest farm organization, and the National Wheat Growers Association. Two-thirds of the wheat farmers will have to approve the plan before it can go into effect. It also will have to have the approval of the Secretary of Agriculture. So all of the derogatory statements about the domestic parity plan certainly are not true. Two-thirds of the wheat farmers will not approve an unreasonable price-support program. Even after two-thirds of the wheat farmers approve, the Secretary does not have to accept it unless he wants to.

I hope the conferees will make some improvements in the bill. Not too much is needed. For the time being, at least, we have rid ourselves of one of the most unreasonable parity formulas which has ever been written into a farm bill. It uses as its major provision in determining parity the average price received over the previous 10-year period. If there had been a depression for 10 years, the average price of that period would become the fair price for the next 10 years. Is there anything reasonable about a provision like that?

That is the reason why dairy farmers all over the Nation, when we held hear-

ings last fall, disapproved of it. The wheat farmers disapproved of it. The cotton farmers disapproved of it. I shall vote for the passage of the bill.

Mr. KNOWLAND. Mr. President, I yield myself 5 minutes.

The VICE PRESIDENT. The Senator from California is recognized for 5 minutes.

Mr. KNOWLAND. Mr. President, as minority floor leader, I intend to vote to send the bill to conference.

I believe the bill has been encumbered with a great many unwise provisions. I am very hopeful that the conference committee will be able to make improvements in the bill. I certainly hope so.

The parliamentary situation is just this: The House of Representatives has passed one version of the bill; the Senate has passed another version. We have substituted the text of the Senate bill for the text of the House bill, after the enacting clause of the House bill. Under the parliamentary situation, the bill now goes to conference. I think we may have a reasonable hope that—inasmuch as the conferees will be interested in the problems of the American farmer—the conferees will try to work out a satisfactory measure, one which ultimately can become the law, after being approved by the President of the United States. I sincerely hope the conferees will act in that way. In any event, from the parliamentary point of view, after the conferees meet, the conference report will be sent to the House and to the Senate. At that time, we shall know whether the conferees have accomplished that objective, which all of us desire. If they have not, the House and Senate will have an opportunity to pass upon the conference report on that basis. At that time, according to the judgment of Congress, we can determine whether, in our judgment, the bill is in satisfactory form to be sent to the President of the United States, for him to exercise his constitutional responsibility.

I assume that the President's decision will rest primarily upon what will be the final form of the bill. For that reason, I shall vote to send the bill to conference, where I hope and expect it will go.

The House of Representatives will make its own determination. It may or it may not, according to its judgment, instruct its conferees.

In any event, I express the hope that in the days immediately ahead we shall have the cooperation of both of the great parties in the Senate and in the House of Representatives and their conferees, in having early meetings of the conference committee. I hope the conferees will report to their respective bodies before the Easter recess. I can think of nothing that would be more damaging to the American farmer than for us to permit this measure to be delayed until after the Easter recess and until it could no longer be of benefit to the American farmer.

So, speaking from this side of the aisle, I express the hope and I am sure I also express the hope of many Senators on the other side of the aisle, who have labored so diligently on the bill—that the conferees will meet promptly, and will make their decision, and will report

to the two Houses of the Congress before the Easter recess; and that then, without any prolonged delay, that the two Houses will express their judgment on the conference report, and that the measure then will be sent to the President of the United States, for his action.

The VICE PRESIDENT. The time of the Senator from California has expired.

Mr. KNOWLAND. Mr. President, I yield myself an additional 5 minutes.

The VICE PRESIDENT. The Senator from California is recognized for an additional 5 minutes.

Mr. KNOWLAND. Mr. President, I conclude by saying that I certainly hope that when the conference report comes back to us, it will be one which we, in good conscience, can support; and I doubly hope that it will be one which the President of the United States in good conscience, in carrying out his constitutional responsibility, will feel justified in approving.

Mr. JOHNSON of Texas. Mr. President, I yield myself 5 minutes.

The VICE PRESIDENT. The Senator from Texas is recognized for 5 minutes.

Mr. JOHNSON of Texas. Mr. President, at this time I ask for the yeas and nays on the question of final passage.

The yeas and nays were ordered.

Mr. MUNDT. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I shall be delighted to yield.

Mr. MUNDT. I should like to have a little time in which to discuss the bill, before the final vote is taken.

Mr. JOHNSON of Texas. Certainly. How much time does the Senator from South Dakota wish me to yield to him?

Mr. MUNDT. Approximately 3 minutes.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the distinguished Senator from South Dakota.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The Senator from South Dakota is recognized for 3 minutes.

Mr. MUNDT. I thank the Senator from Texas for yielding to me.

Mr. President, I would not want this measure to go to a yeas-and-nays vote with the words of the distinguished Senator from Vermont [Mr. AIKEN] still ringing in our ears, so as to lead Members who perhaps are not on the Committee on Agriculture and Forestry, and perhaps have not followed the bill through its various stages during the long and tumultuous debate we have had, to believe that the bill is anywhere near the undesirable piece of proposed legislation that the Senator from Vermont in his pessimistic view of it has described it as being.

Personally, I do not think it is as good a bill as it was when it was brought to the floor of the Senate from the Committee on Agriculture and Forestry. As the bill was reported by the committee, it contained provision for a twofold program of conserving acres and reducing acres while at the same time providing price supports, which would have worked fairly well in the next 2 years.

But in the early stages of consideration of the bill on the floor of the Senate, the support program we in the committee had provided in the first two sections of the bill was annihilated and removed from the bill. Subsequently, some patches were put on, which moved back in the direction of better price supports. Some conceptions were included to move in that direction, although I do not believe they are going to be as effective as the 90 percent provisions would have been if we had kept them in the bill. Some of the same Members who voted against maintaining price supports by the two sections we in the committee wrote into the bill, voted to put them back in my some awkward mechanisms which I predict, will not serve the farmer or the country as well as the price supports we incorporated in this bill in our committee. But, Mr. President, that is the way the democratic process works. In this legislative business, no one gets everything he wants. Frequently—indeed usually—we reach our decisions through such compromises. Certainly we have a clear demonstration of that in this measure.

In the United States there are three major general farm organizations of longstanding records of public service over the span of many years. Any one of those three organizations now can go to its constituent members and can say to them with pride, "Look at what we succeeded in having put into the Agricultural Act of 1956"; and the presidents of the two rival organizations can say, "Yes, that is true; but look at the battles you lost"—because certainly a bill of this sort is not the creation or the brainchild or the product of any particular organization, nor need it become the anathema of any organization. Each organization contributed to its final forum; each, likewise, opposed certain provisions it now contains.

For example, Mr. President, consider the oldest of the farm organizations, the National Grange. It finally found itself at a point where it could applaud the incorporation in the bill of the 2-price system which it has advocated for many, many years; and we voted to provide for that system in the bill, in the case of rice and in the case of wheat. Certainly that should be a cause of gratification for the Grangers of America, who for so long have advocated this approach so persistently.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 3 additional minutes to the distinguished Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 3 additional minutes.

Mr. MUNDT. I thank the distinguished Senator from Texas.

Mr. President, I suppose however the grangers look askance at the dual parity formula for which we have provided in the bill, and also at some of the price-support mechanisms. But they have been put into the bill. The members of the grange will find in the bill some things they like and some things they do not

like, just as the Department of Agriculture will find and just as the President will find, and just as Senators already have found, in connection with our action in bringing the bill up to the point of passage that it has features which most of us both approve and disapprove. That is also true from the standpoint of both the Republican and the Democrat Parties.

Consider the American Farm Bureau. I believe it claims to be the largest of the farm organizations. It is not the largest in the particular area of the country from which I come, but certainly it is a great and distinguished farm organization. At its national conventions, its officials and other members can certainly give speeches which will ring the rafters with paeans of praise over the fact that it succeeded in having a compulsory soil bank provision put into the bill, because in an amendment adopted today we made soil-bank participation compulsory. In the main, the American Farm Bureau can also take great pride in the corn program, because many farm bureau officials felt that this particular approach to the corn program and the corn problem was better than a provision for 90 percent. But on the other hand, some officials of the American Farm Bureau will point to the bill and will say, "What a calamity. Look at the dairy provision"—which the committee wrote into the bill, and which I am happy to say has remained in the bill. The members of the farm bureau also will say, no doubt, "What a calamity that the bill contains the price-support mechanisms"—written in by the Humphrey amendment, near the concluding stages of our action on the bill. And no doubt they will say, "What a calamity that the provision for dual parity is in the bill." But, Mr. President, like the grangers, they will find that they won some battles and lost others. That is America; that happens to us all.

And then there is the Farmers Union. During several days of the debate, there was considerable discussion and colloquy regarding the Farmers Union, touched off by a speech by the senior Senator from Florida. It is a large and representative and responsible farm organization; and in certain areas of the country, primarily in those which raise wheat, and perhaps in those which raise corn and livestock, the Farmers Union is a very strong and active organization. It can look with real pride to the fact that provision for dual parity has been retained in the bill as it was written in committee. Dual parity is something the Farmers Union members believe in. Just as there are other special ideas that other farm organizations have, the Farmers Union has felt that dual parity is essential and necessary. Its members will be happy and will smile a bit about the upward trend of price supports, even though at their conventions they will bemoan the fact that 90 percent price supports on the basic commodities have been eliminated from the bill. So, like the Grange and the Farm Bureau, the members of the Farmers Union have won some battles and have lost some others. This bill as we now have it before us, Mr. President, wears no man's

collar and is the product of many minds. It incorporates constructive proposals from every farm organization.

Mr. President, I hope the Senate will support this measure overwhelmingly, and will send it to conference. I join the distinguished minority leader in the hope that in the conference, the conferees will act in such a way as to turn the frowns of some of the farm organizations into smiles, and will tone down some features a little, so there will be a composure and a concern which will enable the conferees to return to us a conference report for which all of us can vote, and which will work in the direction of increasing farm income in 1956 and in the succeeding years, and will be a measure which the President will sign. The conferees have the raw material with which to work. In the proper spirit of give and take, they can improve this bill tremendously. They can eliminate certain weaknesses, they can refine hasty language, they can reconcile differences, and they can avail themselves of expert counsel on any features which raise serious doubts.

The PRESIDING OFFICER. The time of the Senator from South Dakota has again expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the Senator from South Dakota.

Mr. MUNDT. I thank the Senator from Texas.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for an additional 2 minutes.

Mr. MUNDT. Mr. President, let me conclude by saying that I hope all this is done before the Easter recess is taken. I think Congress needs an Easter recess; but I think America needs a farm bill worse than Congress needs a recess. If there is any tendency in the other body to drag heels or to delay action in conference, I suggest that we abandon the Easter recess, rather than abandon the idea of having a new farm bill for the farmers to use in the crop year 1956. Time is running short but there is still time to complete this task by Easter—and we should resolve to stay here in session until conference approval is completed.

The PRESIDING OFFICER. The time of the Senator from South Dakota has again expired.

Mr. KNOWLAND. Mr. President, if agreeable to the Senator from Texas, at this time I yield 2 minutes to the Senator from Vermont.

Mr. JOHNSON of Texas. Certainly. The PRESIDING OFFICER. The Senator from Vermont [Mr. AIKEN] is recognized for 2 minutes.

Mr. AIKEN. Mr. President, in my comments on the bill, I neglected to say that we should not assume that the bill cannot be cleaned up in conference and made a decent bill to be sent to the President. It is my hope that it can. For that reason, I shall vote to send the bill to conference.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I shall vote for the bill reluctantly and with considerable, shall I say, trepida-

tion, or something of that sort. I have seen more inconsistency on the floor of the Senate in connection with the bill so far as basic principles are concerned than I have seen in a great many years. I have been disappointed in the fundamental attitudes of a great many people. The bill is a hodgepodge of political manipulation and political distortion.

It is unfortunate that we must approach a fundamental economic problem such as the farm problem with the political twists which have been put on the bill. I only hope that in some way in conference we shall be able to arrive at a sound and equitable bill. I say I hope so. I am not so sanguine as to express the idea tonight that we shall.

Fundamentally, Mr. President, agriculture is utterly basic to the prosperity of this country. For many years I have decried the fact that the problems of agriculture have been approached on the basis of treating symptoms instead of the disease itself. We had an opportunity in the pending bill when we started its consideration to treat the fundamentals, not the symptoms.

Unfortunately, as the bill now stands, we have treated the symptoms, not the fundamental causes of the disease. Perhaps it is politically expedient to do that. I do not know. To me it is offensive.

I can only hope that in the minds of men of good will and sincerity we may find an area of compromise and settlement which will give us an acceptable bill.

For that reason I shall vote for the bill tonight. I shall not vote for it because it is a good bill. I think that fundamentally it is probably the worst agricultural bill that has been passed by the Senate. It has been influenced by political manipulations which are almost beyond belief, if we consider the fact that we should act from the standpoint of the best interests of agriculture.

Be that as it may, we have now reached the point of voting on the bill. While there are provisions in it that will be of some assistance to my section of the country, there are also provisions in the bill which will be of disservice to the very sections represented by Senators who voted for them. When they analyze those sections, they will find that they voted a disservice to their sections.

I do not wish to do a disservice to any section of agriculture in this country. I have voted for some provisions from the standpoint of the welfare of my area for which, perhaps, I could be criticized. Nevertheless, I believe that the fundamental philosophy of agriculture should be the guiding motive, not what political advantage will accrue to those who have emotionally evangelized their people as to what they have done for agriculture.

Mr. President, I believe we are making a mistake, not in voting for the bill, because that is all over the dam, but in letting ourselves be led as a body into particular political areas where we believe we can get a little advantage locally, but by which we do things to agriculture instead of things for agriculture. That is what we have done in the bill. I believe we have so classified and characterized the bill that no one can now look on it with a feeling of pride.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. KNOWLAND. I yield 2 additional minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I venture to say that there is not a Member of the Senate—perhaps I am wrong—who can look at the result of his vote tonight with the feeling of personal satisfaction and personal pride that he has voted for or supported a bill which in the long run will be good for agriculture.

We may take some comfort in saying, "I got this little piece out of it." However, in getting a particular little piece, I believe most of us are bound to admit that we have sacrificed the general welfare of agriculture to the sectional selfishness of a little bit of local advantage in some particular. If anyone can get any comfort out of that, bless him in his comfort. If anyone can get any benefit out of the fact that he feels he can go to his own constituency and say, "Look what I did for you in this little part of the bill," let him get comfort out of it. I derive no comfort from the fact that I may have obtained a little advantage for a particular locality, to the detriment of the whole economic structure of agriculture. We might as well face it.

I shall vote for the bill tonight, not because it is a good bill—it is a bad bill for agriculture in the main—but in the hope that in conference there will be a sufficient amount of unselfishness to bring out a good bill. I hope the conference committee does not go to Europe for 2 or 3 weeks to avoid action on the bill in conference. I hope there is enough responsibility in the conference committee to avoid that kind of situation, and that the conference will meet immediately. I shall vote for the bill in the hope that out of conference will come a bill that will do something for agriculture instead of something to agriculture.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. Mr. President, of course, I am disappointed that the Senate did not enact the bill as reported by the committee. However, I am not really surprised at either the number or outcome of votes that have been taken. It is now my hope that the bill can be sent to conference, and that the conferees will sit down together and, with this bill as a foundation, agree upon a measure that will be acceptable to both Houses of Congress and to the President.

Mr. President, I am not as much of a pessimist as my good friend from Vermont seems to be. He has complained about a number of provisions in the bill. Of course, he has had every opportunity to move to strike out the sections of which he now complains. For example, he tonight has referred to the milk section and has indicated that portion of the bill is terrible. He paid his respects, too, Mr. President, to the two-price plan for rice and has complained about the space it occupies in the bill. However, Mr. President, he did not attempt to strike either of those sections from the bill. In

these two provisions of which he complains, his opposition was not translated into motions to strike the offending provisions from this legislation.

As chairman of the Committee on Agriculture and Forestry and as chairman of the Senate conference committee, I shall do all I can to see that a workable and effective conference report is sent to both Houses, I will do my best to see that both the House and the Senate have an opportunity to vote on a conference report before Congress takes an Easter recess. I have already taken up this matter with the distinguished chairman of the Committee on Agriculture of the House [Mr. COOLEY] and he indicated to me some time ago that he would do his utmost to have the committee on conference meet at an early date, to the end that we can have a farm bill enacted as quickly as possible.

Mr. President, as soon as this bill is passed by the Senate, I hope to ask for a conference with the House, that we insist on the Senate amendments, and that conferees be appointed. According to the views expressed by my good friend the Senator from Iowa [Mr. HICKENLOOPER], it will be almost impossible for us in good faith to insist on all our amendments—at least, he has declared that many of them are bad. However, again I am an optimist. I do not share my friend's dark views. I think this is a good beginning, and I believe the conference report will please the majority of Senators. Of course, I do not think we can please everybody. When we held hearings in the fall we could not get unanimity of action or thought as to this bill from the organizations or from the farmers, and we had, as all Senators know, much difficulty in getting unanimity on enough of the provisions of the bill before the committee to have it brought before the Senate. Therefore, it would be foolish to expect the committee on conference to agree upon a report that would please everyone.

Let us hope that with the bill we shall pass as a starting point, although some of my good friends on the other side of the aisle have spent considerable time lambasting some of its provisions, we shall be able to reach agreement with the House conferees within the next 2 weeks on a conference report, one the Senate shall be able to complete action upon before the Easter recess.

I have done nothing since last November but work on the farm bill, and I am not one who gives up. I believe we have material on hand which we can get to work on in conference. I reemphasize that I shall make every effort to start this week with a conference on the bill. I believe that if the conferees will get together and make up their minds that they want a report, we can have a conference report ready for action by both Houses before the Easter recess. It will take much work and long hours, but it can be done. We have come too far since the fall to permit ourselves the luxury of foot-dragging at this point.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I shall vote for the bill. I am not a mem-

ber of the Committee on Agriculture and Forestry, but I am a farmer. I know what the problems of the farmer are. I believe I know the cure for the problems. I am conscious of the fact that it is no easy matter to effect a cure. The immediate problem, of course, is to get rid of the existing surpluses. The next problem is to make certain that we do not accumulate in the immediate future other surpluses, because of our ability to produce agricultural products. The reason we have low farm prices is that we have a great capacity to produce agricultural commodities to an almost unlimited extent. Our capacity to produce is due to our having tractors and fertilizer and all kinds of new seeds. All that hangs as a threat over the price structure of America.

Therefore, we have two immediate problems. One is the surplus problem, and the other is the problem of keeping down the surpluses, so that prices in the open market may rise to where they belong.

I am not wise enough to know whether we have done that in the bill we are about to pass, because I am not a member of the Committee on Agriculture and Forestry. However I do wish to say that in my opinion we have done in the pending bill as good a job as we could have done—or perhaps should not have done—depending on the viewpoint of Senators. However, we have not as yet touched the fundamental cause or a fundamental cure. There is only one cure for the farm problem, and that is increased production and increased consumption. We cannot cure the farm problem by cutting the farmer's production.

If the best we can offer to the American farmer is a reduction in his production and perhaps a slight increase in his prices by taxing the American people and by paying subsidies, then we are not living up to our responsibilities. I do hope that we may have adopted rules and regulations or passed a law which will get rid of existing surpluses. I hope so.

We may likewise, through the soil bank and other amendments, temporarily cut back production, which likewise will raise prices. But, Mr. President, if that is all we have to offer the American farmer, if that is all we have to offer the American people—reduce production and reduce markets, while other segments of our industry are increasing—we had better beware, because we have not solved the problem.

Mr. President, I shall introduce tomorrow, or at least before this week ends, a bill which I hope every Senator will join with me in passing. The reason why I have not introduced it is because I did not want it to be an amendment to the present bill. The bill which I shall introduce will increase the uses for farm products, will increase consumption of farm products, and will increase the income of the American farmer by giving him more, not less. I hope that when I introduce it, it will not be considered as political. I shall invite every Senator on both sides of the aisle to join with me on this bill. It will increase the uses of farm

products, thereby making the farmer more prosperous by virtue of more consumption instead of less consumption.

I am aware of the fact, of course, that Senators on both sides of the aisle take credit for the soil bank. That, of course, is nothing more nor less than reducing the production of the American farmer. I am in favor of the soil bank, because we must reduce the surpluses, or we shall not increase farm prices.

I hope the Committee on Agriculture and Forestry will hold hearings on my bill and that the Senate will pass it in order that we may do something constructive for American agriculture by increasing production because of new uses for farm products.

Senators will be amazed by what the Department has in its laboratory and what private industry is at the moment in position to do and what it will do if it is given an opportunity to do it.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. KNOWLAND. Mr. President, I yield 1 more minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I suggest that we pass the farm bill tonight and send it to the House, that the conferees get together on the best features of the bill, and particularly get together on those things which will reduce surpluses and those things which will hold down production temporarily, and then, that the Congress, without any thought of politics whatsoever, will do what is necessary to find new uses for farm products in industry. Thereby we shall be serving the American farmer and the American people. I am confident of that.

Mr. President, when I introduce my bill tomorrow I hope every Senator on both sides of the aisle will join with me and that hearings will be held on the bill in order to make certain it contains the proper language and will do what we believe it will do, namely, increase the income of farmers and increase their production, rather than to depress farm prices.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Idaho [Mr. WELKER].

Mr. WELKER. Mr. President, I do not assume for a moment that this bill will not come out of conference a good bill. I have faith in my friends in the House and in my colleagues in the Senate, and that hope and faith will be abiding until I find that I am wrong. I shall always be grateful to this body of Senators who gave me a vote on my amendment. I know the people of Idaho will want to know whether we have done a good job for those who have an oversupply of dried beans, fruits and vegetables, onions and potatoes, row crops, and dairy products.

I hope we shall remember the words used by the distinguished junior Senator from Colorado [Mr. ALLOTT] the other day when he stated that the farmers are likely to take a new look at the so-called basic commodities that seem to control the farm economy of this Nation. After all, our Nation was built on the small-family farm. I wonder if we

have done our duty here. I hope and pray that we have, but, somehow, I feel that we have not.

Mr. President, as a first-term Senator in this august body, permit me, as a farmer, to give the Senate this word, if I may. I think it is time that people who are not farmers keep their noses out of the farmers' business. I mean by that, the middlemen, the makers of increases in freight rates, and the tremendous number of things which have brought about the dilemma of the American farmer, whether he be big or small.

Mr. President, I shall vote for this bill. It is not what I wanted, but I do not think 10 percent of the Senators on the floor understand the bill and the great number of amendments which are attached to it. But I have faith and confidence in my colleagues, and I know they will do what they think is best for their States and for their Nation.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, when this bill was reported to the Senate and the first amendment was passed by a vote of 54 to 41, I fully intended to vote for the bill with that amendment. After these days of discussion we have just heard the report of the Senator from Vermont as to what he thinks of the bill in its present form. He has labored over it, as have other members of the committee, conscientiously and faithfully.

But the result of the labors of the Senate is a bill so full of amendments as to make it really and completely unacceptable to him. I believe his views reflect the views of the Department of Agriculture, and they would agree with the fine statement made by the Senator from Vermont [Mr. AIKEN] on the floor a few minutes ago.

We are asked, in view of that statement and other statements about the imperfections of the bill, to put our faith in the House of Representatives, and to hope that the conferees will produce a conference report which will be acceptable to us, although this bill is not. Certainly I can see little reason to place one's faith in the other body on this issue, when they have sent to the Senate a bill which is even less acceptable than is the bill in its present form.

I simply say that I cannot reconcile the thought that we must place what many Senators feel to be our failure in the hands of the other body or to join with them in trying to make something good out of two bills.

So very reluctantly I shall vote against the bill in its present form, hoping that a miracle may happen, and that the conference report may be adopted in such a form as may be acceptable to us, as was the bill itself after the first amendment had been adopted.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, the bill as it was reported by the Senate Committee on Agriculture and Forestry was undoubtedly a great improvement over the present farm bill. I regret exceedingly the fact that the 90 percent of

party provisions were generally stricken from the bill as it came from the committee. I had hoped the bill would be improved instead of weakened.

It was very encouraging to hear the statement of the distinguished chairman of the committee that he intends to fight for some of the provisions which were eliminated, and to press for a strengthening of the bill in the committee of conference.

I hope the conferees will consider that what we are witnessing today is almost the same as that which happened in 1929.

Then, as now, stock market prices were soaring. Dividends were soaring. But there was a soft spot, and that soft spot was in the farm economy. The recession that began on the farm spread to the towns and cities, and we went through the terrible crash which all of us hope will never occur again.

I have been in the farm areas, and I know what I am talking about. The farmers are really hurting. Millions of small farmers are being squeezed out of production. Those not so small are barely hanging on as they see their reserves of money diminish in ever-decreasing income.

Already the second phase of this recession is noticeable. It has spread to the small towns and villages of the Nation, ordinarily the most stable point of our economy. There has been a reduction in revenue for those industries serving the farmers. Unless we put a halt to the trend, there will be additional suffering, and the cycle will have really started swinging—a cycle which we know from experience is exceedingly hard to stop.

Senators know what I have tried to do about the farm bill. Along with others of our colleagues, I worked for establishing a support program based upon a graduated income plan, with 100 percent supports up to \$7,000 of gross income; 90 percent up to \$20,000; and 75 percent up to \$50,000.

Some persons think a high support program is only an interim step-by-step measure. I feel, however, that we should have a permanent Government policy and program which will try to keep farm income on a full parity with other segments of the economy. Let me make this clear: I think our laws and their administration should be aimed at the objective of keeping the farmers on a full parity basis. The farmers are entitled to the stability which would come from a long range program of this kind.

The amendment giving special relief to the small farmer is at least a start toward this objective.

Such support for the small farmer is gaining strength all the time. While it may not be adopted at this session, I know it has merit and eventually will be adopted.

I urged the adoption of an incentive payment plan for hogs and livestock to encourage marketing at lower weights. I urged the food stamp plan for distribution of the surplus, and a strategic reserve plan for removing some of the stocks from the surplus where they tend to reduce the market.

I believe that this, along with other features of the present farm bill, would have been a good program. The Senate, however, did not adopt these proposals and other proposals which I supported along with many other Senators.

I now make a final plea. We have not taken the steps which many of us thought would improve and stabilize the farm economy.

At least, I hope the conference committee will take the step of continuing 90-percent supports for a limited period, while we have time to stop and take stock.

At least, let us try to stop the downward spiral now and pull the farmer through this year's crops.

Ever since Secretary Benson took office he has been telling us that finally prices have stabilized and the farm prices are substantially solid. But ever since he has had free sway with his program of reduced supports, the fact is that farm prices have been falling. Every time he has said the market was stabilized, parity has dropped a little more.

Unless we stop the drop now, with a high support for a limited period, at least, we shall live to regret it.

I shall vote for the bill, even though I think it most inadequate. However, there are some worthwhile features of the bill, and there is the hope that the conference committee will bring out a measure that will give more substantial relief to the farmers of the Nation.

Mr. KNOWLAND. Mr. President I yield 5 minutes to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, I think I am by nature an optimist. Being such, I shall certainly draw as fully as I may upon my optimism to vote for this measure, about which I have very grave doubts, and many of whose provisions I think are exceedingly unwise, in the hope that the bill may be returned from conference in better condition.

Certainly I have no feeling at all of infallibility, and I do not believe any other Member of the Senate has. I cannot refrain, however, from expressing the hope that a much sounder bill will be returned from conference than we now have before us.

Generally when I vote for a measure on final passage, it is because I have the conviction that it is sound and should prevail. I regret to say that I do not have that conviction with reference to this bill. I shall vote for it only in order that it may go to conference, and with the expressed hope that it may come back to us in much better shape than it is in now. I have added this statement tonight because when I vote for a bill on final passage, I generally like to feel so sure of the rightness of my position that I expect to see it through, even to the extent of voting to disapprove a veto by the President, if that should ensue. I think my voting record in the Senate will so indicate.

In the present instance, I wish to leave the record perfectly clear on this point. If some of the errors, which I think to be very grave expressions of poor judgment, and conclusions that not

only will not bring solutions to hard-pressed agriculture, but instead will worsen their situation, shall remain in the bill. I reserve the right not only to vote against the report which will come back from conference, but if what remains in conference report may be adopted and relied upon as ground for disapproval of the bill by the Executive, I reserve the right to vote to sustain such disapproval, because I think that unless several very bad features are eliminated from the bill, instead of having brought relief, help, and succor to agriculture, we will instead actually have worsened their situation.

Mr. JOHNSON of Texas. Mr. President, I yield 4 minutes to the distinguished senior Senator from Minnesota.

Mr. THYE. Mr. President, this nation is enjoying the highest national income in its history. There are more people employed at higher wages than has ever before been experienced in this land.

Unfortunately, agriculture does not share that kind of income. That is the one reason why I have endeavored, in my efforts, to raise the supports in the basic commodities. I know that the high support prices on the basics will have a reflection into the nonbasics.

Mr. President, we need to examine some of the national facts in order to understand and appreciate what we are endeavoring to do in enacting farm legislation. In 1947, the national income for agriculture was \$17,200,000,000. Today, in 1956, it stands at \$10,200,000,000.

If we further examine the records, we will find that in 1947 the farmer enjoyed 54 cents of the market-basket dollar. Today the farmer receives out of the dollar spent for the food basket only 39 cents. What has happened to the farmer's income?

Mr. President, the farmer today is mechanized. His every turn is dependent upon industrial output, whether it be for tractors, fuel, or any other operating supplies. If he is competing in the inflationary market for all the things he must have with which to operate, and if he is then receiving extremely low income, for how long will the farmer be able to remain solvent? If the farmer does not remain solvent, how long will it be before the local merchant on Main Street will meet with a dropoff in his business? Could it not endanger the entire economy in the future?

These are the facts which motivated me to vote for the 90-percent supports on the basic commodities. These are the facts which motivated me to vote for an 11 cents per hundredweight increase in the dairy price supports.

Let us examine the record again, Mr. President. In 1954 the Secretary of Agriculture dropped the supports on dairy products from 90 percent to 75 percent. What effect did that have on the producer of milk which is used in the manufacture of butter, powdered milk, cheese, or casein, which are sold on the national market? It dropped his price 59 cents a hundredweight. Has his previous higher price returned? It has not. At present—in 1956—the farmer's price for fluid milk used in the

manufacture of butter, cheese, and powdered milk is lower than it was in the spring of 1954, when the price dropped from 90 percent to 75 percent.

Mr. President, these are the facts which motivated me to vote contrary to the wishes of my administration and contrary to the majority of my Republican colleagues.

I come from a highly surplus-producing agricultural area. The people of that area are not protected by the Federal milk-marketing orders, as is true in the East, where it is advantageous to have cheap feed because there is a market for his dairy products. Here the markets are controlled, and competition does not disturb the producers to any extent. But in my area the producers are dependent upon the sales of the manufactured dairy products, such as butter, cheese and powdered milk in the national markets.

Mr. President, this is not as bad a bill as has been reported by the ranking Republican member of the Committee on Agriculture and Forestry. Bear that in mind, and do not be too badly misled.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the senior Senator from Indiana.

Mr. CAPEHART. Mr. President, no one can quarrel with the statistics given by the able Senator from Minnesota, but he gives us what the problem is and does not give us the cure. The only cure offered is that the Government, through support prices, buy the products from the farmers. If that is all that we as Representatives and Senators can offer the American farmer, God help us. I am a farmer, and I would want to get out of farming if I had to have the Government guarantee my sales.

The second thing I wish to say is that we have had 90 percent support prices on commodities except dairy products. On the basics, except for the crop-year of last year, there were support prices of, I think, 82 percent on wheat and 87 percent on corn. Do not let anybody fool us that 90 percent support prices had anything to do with this matter one way or the other, because they had not had anything to do with it one way or the other. If all we have to offer the American farmer, that great individualist, who is a private enterpriser, who owns his own farm, is guaranteed prices to be paid by the American taxpayer, then we had better quit, because the farmer does not want it or like it. What the American farmer wants is 100 percent in the marketplace, without any subsidies or controls by the Government. Do not let anyone fool us about that, and we are not fooling the American farmer. We may fool him temporarily, but we would be fooling him only temporarily. I hope tomorrow we can get down to the business of doing something for the American farmer that will result in more consumption, more markets, and more production, instead of less, and instead of guaranteed markets, subsidies, and prices.

Mr. THYE. Mr. President—

Mr. JOHNSON of Texas. Mr. President, I shall yield to the Senator from

Minnesota, but I hope he and his colleague will come to some agreement and let us vote on the bill. I yield the Senator from Minnesota 2 minutes.

Mr. THYE. Mr. President, the only reason I asked to be recognized is that I could answer my distinguished and good friend from Indiana. This bill contains the first realistic approach to getting rid of our surpluses which have been accumulated over the years. Until such time as that is done, the markets will never be anything but weak. The soil bank is the first realistic approach to the problem of surpluses. Had it been put into effect 2 years ago, we would not today be confronted with the huge surpluses which we have in this country. However, there is no promise in the soil bank that any relief will be given the farmer in 1956. It was for that reason that I voted for the 90 percent supports for 2 years, notwithstanding that the soil bank will eventually affect the surpluses.

We have voted for the most realistic and sound agricultural bill which has ever been drafted to deal with the Nation's farm surpluses, because of the inclusion of the soil bank provision. Ninety percent supports were proposed to assure the farmer that there will be some semblance of balance between his income and that of the rest of the Nation until the soil bank can effect a reduction in the surpluses.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JOHNSON of Texas. Mr. President, I shall not yield any more time for debate of Senators with each other. I am a great believer in the 133d Psalm, "Behold, how good and how pleasant it is for brethren to dwell together in unity," and I hope the rest of the debate will be on the unity theme.

Mr. President, I yield 3 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I desire to point out the effective workings of democracy. I told the majority leader I did not desire that he yield me any time, but he has the right to yield me 3 minutes, and I am going to take them, because I was interested in what the senior Senator from Minnesota said a minute ago.

There are two things we must do. First, we must dispose of our surpluses, and second, we must bring our expanding agricultural production under control.

The Senator from Minnesota was entirely right when he said this is the first approach toward the control of surpluses. I am not saying everything we have proposed is perfect, but we must move in the direction of controlling our surpluses.

As to the control of our expanding agricultural production, the soil-bank provision as it came out of committee did not suit me, and I offered on the floor of the Senate a substitute soil-bank proposal of the American Farm Bureau Federation, which provided for a mandatory soil bank. But the amendment proposed by the able senior Senator from Florida [Mr. HOLLAND] improved the soil-bank provision immensely, and I think the soil-bank provision, as it is now carried in the bill, thanks to the amendment of the Senator from Florida,

is an effective way of bringing our expanding agricultural plant under control, without taking money away from the farmer.

Some time ago there was a big irrigation meeting held in the Southwest which dealt with Indian lands as well as those of white men. In the course of the discussion of the problem an Indian finally got up and said, "My creed is simple: drain the land but not the Indians." My creed is simple: "Bring the expanding agricultural plant under control, but do not try to break every farmer while you are doing it."

I think the soil bank will work well. I think the control of surpluses will work well. I did not vote for the two-price system offered in the amendment of the Senator from Kansas. I am not hostile to the fact that it is in the bill. Let the farmers choose whether they want it. The able Senator from Louisiana asked for a two-price system on rice. I held hearings on that particular subject. I did not think it was perfect, but it is in the bill, and I am glad it is in the bill. We shall have fine conferees on the bill. Those conferees will largely be against some of the things I have stood for. Nevertheless, I have faith that a pretty good law will emerge.

I should say that if we have done anything at all about making a move toward control of our surpluses by the soil bank, as it is now amended, and by trying to bring our expanding agricultural plant under control, it is a good thing.

We now move to a conference with the House. I have great faith that what will come out of conference will be something worthwhile for the farmers of America.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the distinguished junior Senator from Minnesota, to whom we are all grateful for the fine work he has done on the bill and the amendment he offered, along with our colleague from North Dakota [Mr. YOUNG].

Mr. HUMPHREY. Mr. President, I wish to speak in the spirit which has been so well set and established by the distinguished Senator from New Mexico and the distinguished majority leader.

The bill has provisions in it as to which men of different persuasions can disagree. I very much would like to have had rigid 90 percent support scheduled. We fought for such a proposal, but the decision of the majority has been clearly registered.

In the bill there are many important features that represent progress in agricultural legislation. The features of the soil bank should not be underestimated, particularly the feature known as the conservation reserve. It contains one of the great conservation features for reforestation and for tending to the land, the great heritage of the American people.

The acreage-reserve section can help in the utilization of our surpluses.

Furthermore, we have done something for a segment of American agricultural economy that has been greatly pressed, the dairy producers of this land. The dairy producers include some of the finest citizens in America. They have made great investments; they are intel-

ligent farmers; they are skilled craftsmen, so to speak, in their line of work.

There are also amendments in the bill relating to feed grains which are vital to every segment of American agriculture. That language may very well require clarification and some pinpointing in conference. The conference committee has jurisdiction over the bill, and that conference will include men of different points of view, men who are seasoned in the work of the Congress of the United States, men who have respect for and work with farm bills year in and year out. I am of the opinion they will do a good job.

I emphasize the forestry provisions in the bill. It will benefit America in years to come. Our forests are one of our great natural resources. We have had something built up which is of monumental importance.

I agree with the Senator from New Mexico about the two-price system. I did not support it in committee. However, I thought it was worthy of trial. We now have two commodities, rice and wheat, as to which we can try the two-price structure, if the farmers so will it by their vote.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from Minnesota 3 more minutes.

Mr. HUMPHREY. Permit me to say in conclusion, Mr. President, I am very grateful to the leadership for the direction and the hard work which the majority leader has put into this bill. I know of the work he has been going through. I heard this morning on television that the Senator from Minnesota [Mr. HUMPHREY] had gone back to Minnesota this weekend so he could campaign. I want the RECORD to be perfectly clear that I was working with the Senator from New Mexico, that I was working with the Senator from Texas, the majority leader, that I was working with the Senator from North Dakota [Mr. Young], that I was working with other Senators, in an effort to do what? In an effort to improve the bill. We have dedicated hours and hours of our time and energy to it, and I am delighted that we have made the progress we have.

That is not to say that the bill is perfect, Mr. President. Man's work is never perfect, and never will be. But at least the bill represents intelligent, consistent, persevering efforts for progress in the field of agricultural legislation.

I am particularly grateful to my friend on the other side of the aisle, the Senator from North Dakota [Mr. Young], for his work and his courage; and I am also grateful to the Senators on that side of the aisle who have stood with him; and that includes all Senators who have stood with him and who have put the cause of the welfare of agriculture above party considerations.

Let me say that I am deeply grateful to the Senator from New Mexico [Mr. ANDERSON]. On several provisions of the bill, we disagreed. But I wish the RECORD made clear: The Senator from New Mexico has held his position consistently, and has fought for it; and

many times he has fought for it to victory. Certainly he has given us great help and guidance. I particularly thank him for the help given us in connection with the amendment adopted at the conclusion of our action on amendments to the bill.

Finally, Mr. President, let me say that no Member deserves more credit than does the distinguished chairman of the Committee on Agriculture and Forestry, the senior Senator from Louisiana [Mr. ELLENDER]. I want my colleagues to look at this man, who has given hundreds of hours of ceaseless energy, time, and dedication in trying, first, to bring from the committee a good agricultural bill, and who has managed the bill while it has been on the floor of the Senate. Every Senator, regardless of his opinion, owes the Senator from Louisiana a debt of gratitude for his outstanding leadership, his perseverance, and his understanding.

Mr. President, let me also thank Senators who come from the great, urban States for their understanding of the farm problem.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 additional minutes.

Mr. HUMPHREY. Mr. President, I realize that in the main it has not been easy for Senators who come from the great urban States in which the metropolitan centers are located to go along with others of us in connection with the various provisions of the bill; but they have understood the interdependence of our economy. They have understood the relationship existing between farm worker and industrial worker, between farm and city, among all the people of the Nation.

Mr. President, it is for these reasons that I shall vote for the bill—not that it is a bill which I personally would have written, or a bill about which I can agree in every detail; but it is a bill which has been measurably improved; and let me say that in regard to the perishable commodities and in regard to the storable commodities. And I say that due to the efforts of the Senator from Oklahoma and the Senator from Georgia, there have been written into the bill amendments which will mean improvement for our farmers and improvement for agriculture.

The PRESIDING OFFICER. The time of the Senator from Minnesota has again expired.

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield 30 seconds to me?

Mr. JOHNSON of Texas. I yield.

Mr. SALTONSTALL. Mr. President, I think we should also thank the senior Senator from Vermont [Mr. AIKEN], who, although he may not have agreed with the Senator from Minnesota and other Senators, certainly worked very hard on the bill. I, for one, appreciate

very much his arduous, sincere, and highly intelligent efforts.

Mr. JOHNSON of Texas. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 3 minutes.

Mr. JOHNSON of Texas. Mr. President, after all these long, weary days, we are finally approaching the final vote on the farm bill.

It has been a hard and difficult process. It has been a debate marked by shifts and changes that have been difficult to follow. All of us, I think, will admit the measure is finally a product of the collective judgment of the entire Senate.

There is little point in recounting the steps we have taken. I doubt whether any of us are completely satisfied with the measure. But we now have to make the decision of whether to vote for—or against—the measure the Senate has produced.

I want to make my own position perfectly clear.

There was a period when I seriously considered casting my final vote against this measure.

It does not contain the clear, consistent 90 percent philosophy in a form which I believe holds forth the best solution to our farm problems.

It is a peculiar mixture of the Agriculture Department's philosophy that the solution to the farm problem is lower farm income and the philosophy that the solution is a stable farm income.

The soil-bank concept is sound as long-range philosophy.

I have decided that the bill has been improved to a point where I can vote for it. It will not solve—or even partially solve—the problems before us. But it will make a bad situation less bad.

It will be of some help to our farmers; and some help is better than no help at all. Furthermore, I am hopeful that the measure can be improved even further in conference.

If constructive alternatives were available to me, I would vote to take those alternatives. But it seems to me that it is obvious that they are not there.

It is also obvious that they will not be there until there is a drastic shift in the composition of the Agriculture Department. This debate has accomplished one thing that cannot be disputed: It is in the opinion of the senior Senator from Texas, that the Agriculture Department holds enormous powers in terms of the future of America's farmers. With those powers goes an unusual degree of ability to influence legislation.

Practically every victory that has been won for the farmer in this bill has been equally a victory against the Agriculture Department, a victory which the Department opposed. Every instance in which the Agriculture Department has yielded has been a case history of grudging reluctance to face up to farmers' problems.

I believe the Agriculture Department is sincere in its theory that farm problems can be solved by lowering farm income and permitting marginal farmers to be driven off the land. But sincerity on the

part of the executioner is cold comfort for the victim.

Mr. President, the time must come when the farmers of the country have an Agriculture Department that is sympathetic to their problems.

This is not the end of the trail for legislation to meet the problems of the farmers. But the real solution will be found in changing the Agriculture Department more than in changing the legislation.

In a very real sense, the people of America themselves must take this matter into their own hands; and I am confident they will know how to do it.

Mr. KNOWLAND. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 2 minutes.

Mr. KNOWLAND. Mr. President, I wish to join in paying tribute to the senior Senator from Vermont [Mr. AIKEN], the ranking minority member of the Committee on Agriculture and Forestry, who, along with his colleagues, worked long hours and very diligently in order to produce satisfactory legislation on this subject.

I also wish to pay tribute to the Secretary of Agriculture, Mr. Ezra Taft Benson. In the field of public policy, honorable men may differ as to what is best for the country and what is best for a segment of the Nation. But it has been my privilege to come to know Ezra Benson. He is a man of high courage. He is a man of great ability. He is a man of sincere devotion to the cause of agriculture. I have a deep conviction that there is no man in this country who wants to help the American farmer and the American economy more than does the Secretary of Agriculture, Ezra Benson. In this I believe he has had the support of his Chief, President Eisenhower. I believe there is no man in the country who is more anxious than he to work out the problems of American agriculture, because he recognizes that when there are conditions which may be adverse to one segment of the economy, in time, they are bound to affect all segments of the American economy. I do not believe there is any American who believes that knowingly or willfully either President Eisenhower or Secretary Benson would do anything which would be detrimental to American agriculture.

We have had a great debate. It has extended over a period of many weeks. Honest men have come to different conclusions, perhaps based on the same set of facts. That is our representative, constitutional process at work.

I am still hopeful that from the conference we may obtain a better bill. I think no man needs question the motives of those on the other side, either in the executive branch or in the legislative branch of the Government.

We have completed our work. Now we are ready to vote.

For the reasons I indicated earlier, I intend to support the bill, in the hope that the conference committee will work out some of the problems which I believe all of us recognize need to be worked out in this measure.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is, Shall the bill pass?

On this question, the yeas and nays have been ordered, and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. IVES] is absent because of illness, and, if present and voting, he would vote "yea."

The result was announced—yeas 93, nays 2, as follows:

YEAS—93

Aiken	George	McNamara
Allott	Goldwater	Millikin
Anderson	Gore	Monroney
Barkley	Green	Morse
Barrett	Hayden	Mundt
Beall	Hennings	Murray
Bender	Hickenlooper	Neely
Bennett	Hill	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bridges	Humphrey	Payne
Butler	Jackson	Potter
Byrd	Jenner	Purtell
Capehart	Johnson, Tex.	Robertson
Carlson	Johnston, S. C.	Russell
Case, N. J.	Kefauver	Saltonstall
Case, S. Dak.	Kennedy	Schoeppel
Chavez	Kerr	Scott
Clements	Knowland	Smathers
Cotton	Kuchel	Smith, Maine
Curtis	Laird	Smith, N. J.
Daniel	Langer	Sparkman
Dirksen	Lehman	Stennis
Douglas	Long	Symington
Duff	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Welker
Ervin	Martin, Pa.	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young

NAYS—2

Bush Flanders

NOT VOTING—1

Ives

So the bill (H. R. 12) was passed.

The title was amended so as to read: "A bill to provide an improved farm program."

The PRESIDING OFFICER. Under the unanimous-consent agreement entered into, the Senate bill (S. 3183) will be indefinitely postponed.

Mr. ELLENDER. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. AIKEN, and Mr. YOUNG conferees on the part of the Senate.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the bill as passed be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOVIET EDUCATION—SPEECH DELIVERED BY FORMER SENATOR WILLIAM BENTON, OF CONNECTICUT

Mr. FULBRIGHT. Mr. President, a former colleague of ours, Hon. William

Benton, recently spent some time in Russia studying the educational system of the Soviets. Bill Benson is an observant and intelligent man. His observations about the Russian system furnish us with material worthy of our best thought, if we are seriously concerned with the survival of our free democratic society.

I urge my colleagues to read the speech carefully, and I hope they will then be able to bury their differences and join forces to bring about some improvement in our educational system.

I ask unanimous consent that the speech by Mr. Benton be printed in the RECORD at this point in my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SOVIET EDUCATION: NEW CHALLENGE TO THE AMERICAN PEOPLE

(Address by Hon. William Benton, publisher, Encyclopedia Britannica, before the Association for Higher Education, Chicago, Ill., March 6, 1956)

My friends and fellow politicians, when, as the war ended, Secretary Byrnes asked me to be Assistant Secretary of State, he told me that he thought my early years in advertising should prove good training for politics. I assured him that my 8 years as a part-time university vice president were far more valuable to him—and to me. I told him I already had won my political Ph. D. in campus politics.

I shall talk to you tonight about a critical political problem affecting education and a critical educational problem affecting politics. Indeed, this problem gravely affects the survival of our country and our civilization, and it can only be met by a merger of politicians and educators.

We are met here at a moment when whole galaxies of educational neglect are in head-on collision. The facts and figures have been in the newspapers—and on the front pages. They have been featured in the magazines. They have even been discussed on the air. Some of you may have heard that conferences in Washington have been devoted to them. But they have not broken through the crust of public consciousness.

Where is the present prospect of national action adequate to match the crisis? I fear I cannot even assure you that a Democratic victory next November would secure the action so urgently needed. My fears and forebodings caused me to accept this invitation when it was tendered to me, so that I might share them with you. If I am to be a Cassandra, at least I want companions from among you.

You here tonight must accept partial responsibility for the country's unhappy predicament. Education is the field which you have homesteaded as your very own. The solutions you have proposed have not been drastic enough, bold enough, imaginative enough. You have been too deeply mired in your own folklore. All too often your proposals have been geared to somebody's guess as to what the Congress, or the State legislature, or the latest commission or committee, or your own board of trustees, would stand for.

I commend to you the example of Commissioner Murray, of the Atomic Energy Commission. At a congressional hearing a week or so ago, he was asking for a mere additional \$5 billion. Congressman COLE remarked, "I doubt that the taxpayers are ready to gamble such large stakes." Mr. Murray replied, "If they knew the whole story, they would." The task of you educators is dramatically to expound the whole story.

More important than any failure of leadership on your part is that all America now

ANALYSIS OF H. R. 12
A BILL "TO PROVIDE AN IMPROVED FARM PROGRAM"

As Passed By Senate, March 19, 1956

There is set forth below an analysis of H. R. 12 - A Bill "To provide an improved farm program."

Proposed changes in the existing law are shown in the left column. Existing law proposed to be omitted is struck through; new matter is underscored; and existing law in which no change is proposed is shown in Roman.

An explanation of the proposed changes is given in the right hand column.

TITLE I - PRICE SUPPORT

Wheat - Domestic Parity

CHANGES IN EXISTING LEGISLATION

Sec. 101. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "TITLE III - LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, AND MARKETING QUOTAS, AND MARKETING CERTIFICATES"; (2) by changing the designation of subtitle D thereof to read as follows: "SUBTITLE D E - Miscellaneous Provisions And Appropriations"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"SUBTITLE D - WHEAT MARKETING CERTIFICATES

"LEGISLATIVE FINDINGS

"Sec. 380a. Wheat, in addition to being a basic food,

is one of the great export crops of American agriculture and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced

EXPLANATION OF CHANGES

Section 101 gives the Secretary discretionary authority to place into effect a two-price plan for wheat for the 1957 and subsequent crops if more than two-thirds of the farmers voting in a referendum favor such two-price plan in lieu of marketing quotas. Under such two-price plan, a domestic food quota for wheat would be determined and proclaimed by the Secretary for each marketing year. Such domestic food quota would be the number of bushels of wheat which the Secretary determines would be consumed as human food in the continental United States during such marketing year. The domestic food quota for wheat, less small reserves at national and state levels, would be apportioned to States and counties on the basis of the total production of wheat during the preceding 10 years with adjustments for adverse weather and trends in production. The one percent national reserve would be placed in those counties needing additional acreage to meet the needs of new areas coming into wheat production. The county domestic food quota for wheat would be apportioned among the farms within the county on which wheat was seeded for the production of wheat during any one of the 10 preceding calendar years, on the basis of the normal yield of the acreage planted to wheat during such 10-year period. The 3 percent State reserve would be used to adjust farm quotas which appeared inequitable on the basis of tillable acres, crop rotation practices, type of soil and topography.

Marketing certificates would be issued to co-operators in an amount equal to the domestic food quota established for the farm. The value of the certificates would be equal to the amount by which the estimated parity price exceeds the estimated farm price for wheat for the marketing year. The Commodity Credit Corporation

CHANGES IN EXISTING LEGISLATION

and consumed within the confines of any State is normally commingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of intrastate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

"DOMESTIC FOOD QUOTA

"Sec. 380b. Not later than July 1 of each calendar year the

Secretary shall determine and proclaim the domestic food quota

for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels

EXPLANATION OF CHANGES

would be authorized to buy and sell marketing certificates and to operate pools for this purpose.

Each person engaged in the processing of wheat into food products, or importing food products made from wheat, would be required to acquire certificates to cover the quantity of wheat involved.

Upon the exportation of any food product containing wheat with respect to which certificates have been acquired the exporter would receive an amount equal to the value of the certificates for the quantity of wheat exported.

Any unused certificates would be required to be re-deemed by the Secretary at their value.

The Secretary could increase or suspend the domestic food quota in the event of a national emergency or of a material increase in the demand for wheat.

Whenever a two-price plan for wheat is in effect, price support will be available to cooperators through loans, purchases, or other operations at such level as the Secretary determines after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement relating to wheat to which the United States is a party, (4) foreign trade policies of free wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

The producer could be required to comply with acreage allotments, production goals, and marketing practices (excluding marketing quotas), as a condition of eligibility for price support and marketing certificates.

of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

"APPORTIONMENT OF DOMESTIC FOOD QUOTA

"Sec. 380c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of the total production of wheat in each State during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for adverse weather conditions and for trends in production during such period.

The reserve quota set aside herein for apportionment by the Secretary shall be used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat during the five calendar years immediately preceding the calendar year in which the quota is proclaimed.

"(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 per centum thereof for apportionment as provided

in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for adverse weather conditions and for trends in production during such period.

"(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the ten calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of the normal yield of the acreage planted to wheat during such ten-year period. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of tillable acres, crop-rotation practices, type of soil, and topography.

"MARKETING CERTIFICATES

"Sec. 380d. (a) The Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the

CHANGES IN EXISTING LEGISLATION

county domestic food quota. Such certificates shall be issued to co-operators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 380c of this Act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates in such quantities as may be required to persons processing wheat into food products. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

"(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 380b of this Act, the Secretary shall determine and proclaim for such marketing year

(1) the estimated parity price and the estimated farm price for wheat, and (2) the value of the marketing certificate.

The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the

EXPLANATION OF CHANGES

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estimated farm price as determined herein. The value of the marketing certificate shall be computed to the nearest cent.

The proclamation required by this subsection shall be made during the month of June immediately preceding the marketing year for which such domestic food quota is proclaimed.

"(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools.

Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

EXPLANATION OF CHANGES

"MARKETING RESTRICTIONS"

"Sec. 380e. (a) Except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 380 of this Act have been acquired by such person.

"(b) Except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 380d of this Act have been acquired by such person.

"(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of

this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: Provided, however, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

"(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

"(e) As used in section 380e of this title, the term 'marketing' means the sale and the delivery of the food product composed wholly or partly of wheat.

"CONVERSION FACTORS

"Sec. 380f. The Secretary shall ascertain and establish

conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion

factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

"CIVIL PENALTIES

"Sec. 380g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 380e of this Act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"ADJUSTMENTS IN DOMESTIC FOOD QUOTAS

"Sec. 380h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such

increase or suspension is necessary, he shall immediately pro-
claim such finding (and if he finds an increase is necessary,
the amount of the increase found by him to be necessary) and
thereupon such quotas shall be increased or shall be suspended,
as the case may be. In case any domestic food quota for wheat
is increased under this section, each farm quota for wheat
shall be increased in the same ratio and marketing certifi-
cates shall be issued therefor in accordance with section 380d
of this Act. In case any domestic food quota for wheat is
suspended under this section, the Secretary may redetermine
the value of marketing certificates issued pursuant to section
380d of this Act.

"REPORTS AND RECORDS

"Sec. 3801. (a) The provisions of section 373 of this Act

shall apply to all persons, except wheat producers, who are sub-
ject to the provisions of this subtitle, except that any such
person failing to make any report or keep any record as required
by this section or making any false report or record shall be
deemed guilty of a misdemeanor and upon conviction thereof shall
be subject to a fine of not more than \$2,000 for each such vio-
lation.

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"(b) The provisions of section 373 (b) of the Act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

"REFERENDUM

"Sec. 380j. In the referendum held pursuant to section 336 of this Act on the national marketing quota proclaimed for the 1957 crop of wheat, the Secretary shall also submit the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program, the Secretary may, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for the 1957 and subsequent wheat crops under the provisions of this subtitle in which event marketing quotas and acreage allotments shall not be in effect for wheat under subtitle B.

EXPLANATION OF CHANGES

"PRICE SUPPORT

"Sec. 380k. Notwithstanding any other provision of law--

"(a) Whenever a wheat marketing certificate program

under this subtitle is in effect, price support for wheat

shall be determined in accordance with the provisions of sub-

section (b) of this section.

"(b) The Secretary of Agriculture is authorized to make

available through loans, purchases, or other operations, price

support to producers of wheat who are cooperators. The amount,

terms, conditions, and extent of such price-support operations

shall be determined by the Secretary, except that the level

of such support shall be determined after taking into con-

sideration the following factors: (1) the supply of the com-

modity in relation to the demand therefor, (2) the price

levels at which corn and other feed grains are being supported

and the feed value of such grains in relation to wheat, (3)

the provisions of any international agreement relating to

wheat to which the United States is a party, (4) foreign trade

policies of friendly wheat exporting countries, and (5) other

factors affecting international trade in wheat including

exchange rates and currency convertibility.

"(c) Compliance by the producer with acreage allotments, production goals, and marketing practices (excluding marketing quotas) may be prescribed and required by the Secretary as a condition of eligibility for price support and for the receipt of wheat marketing certificates."

PRICE SUPPORTS--COTTONSEED AND SOYBEANS

SEC. 102. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market."

STANDARD GRADE FOR COTTON

SEC. 103. (a) Section 403 of the Agricultural Act of 1949 as amended, is amended by striking out the last sentence thereof.

"SEC. 403. Appropriate adjustments may be made in the support price for any commodity for differences in grade, type,

Section 102 provides that whenever the price of either cottonseed or soybeans is supported, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market.

Section 103 repeals the special provision of law designating Middling 7/8-inch cotton as the standard grade for parity calculations and price support and would result in the average grade and quality being utilized for such purposes as in the case of other commodities.

staple, quality, location, and other factors. Such adjustments shall, so far as practicable, be made in such manner that the average support price for such commodity will, on the basis of the anticipated incidence of such factors, be equal to the level of support determined as provided in this Act. ~~Middling-seven-eighths-inch-cotton-shall-be-the-standard-grade-for-purposes-of parity-and-price-support.~~"

(b) Section 3 (a) of the Act of August 29, 1949 (7 U.S.C. 1301 (b)), is repealed.

"SEC. 3 (a) ~~Notwithstanding any other provision of law, Middling-seven-eighths-inch-cotton-shall-be-the-standard-grade-for-purposes-of-parity-and-price-support.~~"

PRICE SUPPORTS--MANUFACTURING MILK

SEC. 104. The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: "The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at ~~such-level-not-in-excess-of-80-per-centum-not less-than-75-per-centum~~ not less than 80 per centum nor more than 90 per centum of the parity price therefor ~~as-the-Secretary~~

Section 104 provides for price support for whole milk butterfat, and the products of such commodities at not less than 80 per centum nor more than 90 per centum of parity, and provides for using a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive. The basis provided in the bill for computing the parity equivalent for manufacturing milk would result in computing the parity equivalent of manufactured milk at 88 per centum of the parity price for all milk sold wholesale by farmers, instead of computing it at 83.3 per centum of parity price for all milk sold as the Secretary is now doing as a result of using the most recent-year period.

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~~supply~~ using a parity equivalent for manufacturing milk based on the thirty-month period July 1946 to December 1948, both inclusive."

MILK AND BRUCELLOSIS PROGRAMS

SEC. 105. (a) The last sentence of section 201 (c) of the Agricultural Act of 1949, as amended, is amended to read as follows: "For the period beginning September 1, 1954, and ending ~~June 30, 1956~~ June 30, 1955, not to exceed \$50 million, and for the fiscal year ending June 30, 1956, not to exceed \$60 million, and for each of the 2 fiscal years in the period

beginning July 1, 1956, and ending June 30, 1958, not to exceed \$75 million, ~~annually~~ of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in (1) nonprofit schools of high-school grade and under; and (2) such nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions as are devoted to the care and training of underprivileged children on a public welfare or charitable basis."

EXPLANATION OF CHANGES

Section 105 extends the special school milk program for two additional years, provides increased funds for the program, and expands the program. The funds authorized are as follows: \$60,000,000 for the fiscal year 1956, and \$75,000,000 for each of the fiscal years 1957 and 1958. The program is expanded to include nonprofit nursery school child-care centers, settlement houses, summer camps, and similar nonprofit institutions, devoted to the care and training of underprivileged children on a public welfare or charitable basis.

This section also extends the brucellosis eradication program for two additional years and provides increased funds for that program. The funds authorized are as follows: \$17,000,000 for the fiscal year 1956, and \$20,000,000 for each of the fiscal years 1957 and 1958.

This section also extends for two additional years the authority of the Commodity Credit Corporation to donate dairy products to Veterans' Hospitals and the Armed Forces

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(b) Section 204(e) of the Agricultural Act of 1954 is amended to read as follows: "As a means of stabilizing the dairy industry and further suppressing and eradicating brucellosis in cattle, the Secretary is authorized to transfer not to exceed ~~\$15,000,000 annually for a period of two years~~ \$17 million for fiscal year ending June 30, 1956, and \$20 million for each of the fiscal years 1957 and 1958, from funds available to the Commodity Credit Corporation to the appropriation item 'Plant and Animal Disease and Pest Control' in the Department of Agriculture Appropriation Act, 1955 for such fiscal year for the purpose of accelerating the brucellosis eradication program, for the purpose of increasing to not to exceed \$50 per head of cattle the amount of the indemnities paid by the Federal Government for cattle destroyed because of brucellosis in connection with cooperative control and eradication programs for such disease in cattle entered into by the Secretary under the authority of the act of May 29, 1884, as amended, for the purpose of increasing the number of such indemnities, and for the purpose of defraying any additional administrative

expenses in connection therewith. There ~~is~~ are hereby authorized to be appropriated ~~annually~~ such sums as may be necessary to reimburse the Commodity Credit Corporation for expenditures pursuant to this section."

(c) The first sentence of subsection (a) and the first sentence of subsection (b) of section 202 of the Agricultural Act of 1949, as amended, are amended by striking out "1956" and inserting in lieu thereof "1958".

"SEC. 202. . . . (a) The Commodity Credit Corporation until ~~December 31, 1956~~, December 31, 1958, shall make available to the Administrator of Veterans' Affairs at warehouses where dairy products are stored, such dairy products acquired under price-support programs as the Administrator certifies that he requires in order to provide butter and cheese and other dairy products as a part of the ration in hospitals under his jurisdiction. The Administrator shall report monthly to the Committees on Agriculture of the Senate and House of Representatives and the Secretary of Agriculture the amount of dairy products used under this subsection.

"(b) The Commodity Credit Corporation until ~~December 31,~~
1956 December 31, 1958, shall make available to the Secretary
of the Army, at warehouses where dairy products are stored,
such dairy products acquired under price-support programs as
the Secretary of the Army or his duly authorized representa-
tive certifies can be utilized in order to provide addition-
al butter and cheese and other dairy products as a part of
the ration of the Army, Navy, or Air Force, and as a part of
the ration in hospitals under the jurisdiction of the Depart-
ment of Defense. The Secretary of the Army shall report
every six months to the Committees on Agriculture of the
Senate and the House of Representatives and the Secretary
of Agriculture the amount of dairy products used under
this subsection."

PARITY FORMULA

SEC. 106. Section 301 (a) (1) (G) of the Agricultural
Adjustment Act of 1938, as amended (providing for a dual
parity formula), is amended by striking out the following:
", as of any date during the six-year period beginning
January 1, 1950,".

Section 106 requires the Secretary in the case of the
basic commodities to use the old parity price computed on
the 1910-1914 base period, or the modernized parity, which-
ever is higher. This section also directs the Secretary to
make a thorough study of possible methods of improving the
parity formula and report thereon within six months after
enactment of the Act.

CHANGES IN EXISTING LEGISLATION

"Notwithstanding the foregoing provisions of this section, the parity price for any basic agricultural commodity, ~~as of any date during the six-year period beginning January 1, 1950,~~ shall not be less than its parity price computed in the manner used prior to the enactment of the Agricultural Act of 1949."

The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with his recommendations, to Congress within six months after the enactment of this Act.

SEC. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. The total amount of price support made available under this act to any person for any year through loans to such persons, or through purchases made by Commodity

Credit Corporation from such person, shall not exceed \$100,000.

The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such

EXPLANATION OF CHANGES

Section 107 places a limit of \$100,000 on the amount of price support which any person may receive for any year.

limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

SEC. 108. Section 401 (e) of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following:

"(e) Whenever any price support or surplus removal operation for any agricultural commodity is carried out through purchases from or loans or payments to processors, the Secretary shall, to the extent practicable, obtain from the processors such assurances as he deems adequate that the producers of the agricultural commodity involved have received or will receive maximum benefits from the price support or surplus removal operation.

Section 108 requires that whenever any price support or surplus removal operation for any agricultural commodity is carried out through purchases from processors, the Secretary shall obtain from the processor a certification that the price received by the producer for the agricultural commodity involved was not less than the support price, or in the absence of a support price, a fair price announced by the Secretary.

In the case of any such operation which is carried out through purchases, regardless of the source of the funds used for such purpose, the Secretary shall obtain from the processor a certification that the price received by the producer for the agricultural commodity involved was not less than the support price therefor or, in the absence of a support price, a fair price as determined and publicly announced by the Secretary."

SEC. 109. This title shall take effect with the 1956 crops.

Section 109 makes Title I of the bill effective with the 1956 crop.

SHORT TITLE

Sec. 201. This title may be cited as the "Soil Bank Act", and the term "this Act" when used in this title shall mean the Soil Bank Act.

Section 201 provides that Title II of the bill may be cited as the "Soil Bank Act."

DECLARATION OF POLICY

Sec. 202. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign

Section 202 establishes a policy of Congress that the Secretary of Agriculture shall carry out a Soil Bank Program.

commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this Act to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farm land for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this Act programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities authorized under

CHANGES IN EXISTING LEGISLATION

marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

SUBTITLE A--ACREAGE RESERVE PROGRAM

TERMS AND CONDITIONS

Sec. 203. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn, peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43 and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages

of the commodity below their farm acreage allotments established under the Agricultural Adjustment Act of 1938, as

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Section 203 directs the Secretary to compensate producers for voluntarily reducing their 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn, peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54 and 55, and Ohio cigar filler tobacco types 42, 43 and 44. To be eligible for such compensation, the producer is required to reduce his acreage of the commodity below his farm acreage allotment, or in the case of corn, below his farm acreage allotment or base acreage, whichever is in effect. A base acreage, on the basis of a total base acreage of 51,000,000 acres, would be established for producers in the commercial corn area for the purpose of participating in the acreage reserve program for 1956, and for subsequent years in which the acreage reserve program is in effect if producers in a referendum vote in favor of discontinuing acreage allotments on corn and price support on corn at such level as will assist producers in marketing their corn in the normal channels of trade but not encourage the uneconomic production of corn.

Under the acreage reserve program, the producer is required to specifically designate his reserve acreage and not to harvest any crop from or graze the reserve acreage unless the Secretary after certification by the Governor of

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allotments or their farm base acreages established as
provided under subsection (b) of this section 203, which-
ever is in effect. To be eligible for such compensation
the producer (1) shall reduce his acreage of the commodity
below his farm acreage allotment or, in the case of corn,
his farm acreage allotment or farm base acreage, whichever
is in effect, within such limits as the Secretary may pre-
scribe, (2) shall specifically designate the acreage so
withdrawn from the production of such commodity (therein-
after referred to as the "reserve acreage"), and (3) shall
not harvest any crop from, or graze, the reserve acreage
unless the Secretary, after certification by the Governor
of the State in which such acreage is situated of the need
for grazing on such acreage determines that it is neces-
sary to permit grazing thereon in order to alleviate damage,
hardship, or suffering caused by severe drought, flood, or
other natural disaster, and consents to such grazing. The
reserve acreage shall be in addition to any acreage devoted
to the conservation reserve program authorized under sub-
title B of this Act. In the formulation and administration

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to alleviate hardship caused by severe drought, flood, or other natural disaster. The Secretary is directed to provide adequate safeguards to protect the interests of tenants and sharecroppers including provision for sharing on a fair and equitable basis in the certificates issued for participation in the program. The producer is required to enter into a contract with the Secretary covering the producer's obligations under the program which shall provide that if the producer violates the contract and the violation is of such a substantial nature as to warrant termination of the contract he shall forfeit all rights to further payments under the contract, refund all payments theretofore received, and forfeit such price support benefits as the Secretary may determine. If the violation is of such nature as not to warrant termination of the contract, the producer is required to accept such payment adjustments and forfeit such price support benefits as the Secretary may determine.

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adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in the certificates issued pursuant to section 205 hereof under which the tenant's or sharecropper's share in that part of such certificate which represents acreage previously used or cultivated by the tenant or sharecropper shall not be less than his share of the crop or produce under his agreement with the owner, and including such provision as may be necessary to prevent them from being forced off the farm. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this Act and to facilitate the practical administration of the acreage reserve program.

CHANGES IN EXISTING LEGISLATION

Before any producer is entitled to receive any compensation for participating in the acreage-reserve program, he must first enter into a contract with the Secretary, which contract shall, in addition to such other conditions as may be prescribed by the Secretary, contain provisions by the terms of which such producer shall agree:

(1) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant

EXPLANATION OF CHANGES

termination of the contract, to forfeit all rights to further payments or grants under the contract, to refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and to forfeit all, none, or such part of such price-support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and to refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violations occurred, as the Secretary may determine to be appropriate.

(11) In the event that the Secretary determines that for any year there has been a violation of the contract but that such violation is of such a nature as not to require or warrant termination of the contract, to accept such payment adjustments and forfeit such benefits under the contract and under the price-support provisions of the Agricultural Act of 1949, as amended, and to make such refunds to the United States of payments and benefits already received by him during such year under the contract and under said act, the

CHANGES IN EXISTING LEGISLATION

Secretary may determine to be appropriate.

(b) (1) Not later than February 1 of each calendar

year in which an acreage reserve program will be in effect
for corn, the Secretary shall, subject to paragraph (2)

hereof, ascertain and proclaim (i) the commercial corn-

producing area provided for in section 301 (b) (4) of the

Agricultural Adjustment Act of 1938, as amended (7 U.S.C.

1301 (b) (4)), and (ii) the total base acreage of corn for

the commercial corn-producing area for such calendar year.

For 1956 the commercial corn-producing area previously pro-

claimed shall remain in effect, and the total base acreage

of corn for the commercial corn-producing area shall be

proclaimed as soon as practicable after the effective date

of this Act. Such total base acreage shall be 51 million

acres. The total base acreage of corn for the commercial

corn-producing area shall be apportioned by the Secretary

among the counties in such area on the basis of the acreage

of corn in such counties during the five calendar years

immediately preceding the calendar year in which the appor-

tionment is made (plus, in applicable years, the acreage

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CHANGES IN EXISTING LEGISLATION

tion and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: Provided, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to such county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography.

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 406 hereof, producers do not vote in favor of the program provided in subsection (c) of such section.

EXTENT OF PARTICIPATION IN PROGRAM

Sec. 204. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn, peanuts, rice, flue-cured tobacco, burley tobacco,

EXPLANATION OF CHANGES

Section 204 directs the Secretary to establish a national reserve acreage goal for each of the crops and to establish the limit within which individual farms may participate in a manner which is reasonably calculated to achieve the national acreage goal and give producers a fair and equitable opportunity to participate.

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Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43 and 44, respectively. The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments, established under the Agricultural Adjustment Act of 1938, as amended, or, in the case of corn, their acreage allotments or farm base acreages, whichever is in effect, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

COMPENSATION OF PRODUCERS

Sec. 205 (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary--(1) in cash upon presentation by the pro-

EXPLANATION OF CHANGES

Section 205 provides that compensation of producers for participating in the acreage reserve program shall be made through the issuance of certificates redeemable by Commodity Credit Corporation in cash or in the commodity at the option of the producer in the case of certificates issued with respect to grains. If the certificate is redeemed in grains, such grains shall be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable, encourage acceptance of payment in grains in lieu of cash. Redemp-

CHANGES IN EXISTING LEGISLATION

the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): Provided, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this Act: And provided further, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity

EXPLANATION OF CHANGES

tions of certificates in the commodity shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced on the acreage withheld from production.

The amount of compensation to producers would be established by the Secretary at such rates as would provide producers with a fair and reasonable return for the acreage withdrawn from production and with a sufficient incentive to achieve the reserve acreage goal. The rates of payment are to be such as to encourage producers to participate in the program for more than one year.

The total compensation which may be paid producers for participating in the acreage reserve program with respect to any year's crops is limited to \$750,000,000.

The compensation paid any producer with respect to land in any one State in any year is limited to \$25,000.

the reserve acreage goal. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than one year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed \$750,000,000. The compensation paid any producer for participating in the acreage reserve program with respect to land in any one State in any year shall not exceed \$25,000.

EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

Sec. 206. (a) In the future establishment of State, county, and farm acreage allotments for wheat, cotton, corn, peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43 and 44, respectively, under the Agricultural Adjustment Act of 1938, as

Section 206 provides that participation in the acreage reserve program by a producer shall not reduce his future acreage allotments and quotas.

CHANGES IN EXISTING LEGISLATION

amended, reserve acreages applicable to the commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public

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Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

SUBTITLE B--CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

Sec. 207. (a) To effectuate the purposes of this Act

the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil, water, wildlife, or forest conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

EXPLANATION OF CHANGES

Section 207 sets forth terms and conditions required to be covered in the contracts entered into between the Secretary and producers under the conservation reserve program. The minimum contract period would be three years.

Under the contract the producer would agree:

(1) To establish and maintain for the contract period a specifically designated acreage on the farm in protective vegetative cover (such as grass and trees), water storage facilities, or other soil, water, wildlife, or forest conserving uses, the acreage so designated to be land regularly used for production of crops, including crops which do not require annual tillage such as tame hay, alfalfa, and clovers.

(2) To devote to conserving crops or uses or allow to remain idle for the contract period an acreage equal to the normal acreage on the farm devoted to such uses or allowed remain idle.

(3) Not to harvest any crop from the land established in protective cover excepting timber or other products which do not include base supplies of feed for domestic animals.

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(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land in the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on the entire farm.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to pasture any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 203 hereof; and if such acreage is pastured at the end of such period, to pasture such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, pasture, or other use to any use, specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

EXPLANATION OF CHANGES

(4) Not to pasture the acreage in protective cover prior to January 1, 1959, or such later date as prescribed in the contract, except upon a determination by the Secretary after certification by the Governor of the State of a need for grazing to alleviate damage, hardship or disaster caused by severe flood, drought, or other natural disaster; and not to pasture such acreage for the remainder of the contract period except in accordance with sound pasture management.

(5) Not to adopt any practice or use of the land specified in the contract as a practice or use tending to defeat the purposes of the contract.

(6) In the event of a substantial violation of the contract at any stage of the contract period during which the producer has control of the farm sufficient to warrant termination of the contract, to forfeit further payment and grants and refund payments and grants received during the crop year in which the violation occurred, and to forfeit or refund such price support benefits during the crop year in which the violation occurred, as determined by the Secretary to be appropriate; and in the event of a violation not sufficient to require termination, to accept such payment adjustments, and forfeit such price support benefits, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary deems desirable and includes in the contract, including provisions for the control of noxious weeds.

The Secretary would agree under the contract

(1) to bear such part of the cost (including labor) establishing and maintaining the protective cover or other authorized use on the designated acreage as he determines to be necessary to effectuate the purposes of the Act, not to exceed a maximum for the county or area where the farm was located; and

CHANGES IN EXISTING LEGISLATION

(6) (a) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to further payments or grants under the contract, to refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and to forfeit all, none, or such part of such price-support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and to refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate.

(b) In the event that the Secretary determines that for any year there has been a violation of the contract but that such violation is of such a nature as not to require or warrant termination of the contract, to accept such payment adjustments and forfeit such benefits under the contract and under the price-support provisions of the Agricultural Act of 1949, as

EXPLANATION OF CHANGES

(2) to make an annual payment for the term of the contract to the producer who fulfills the provisions of the contract. This payment would represent a fair and reasonable return on the land in protective cover or other authorized use, taking into consideration the value of the land for producing commodities customarily grown on such kind of land in the area, the prevailing rates of cash rentals in the areas, necessary incentive to obtain contracts, and other appropriate factors. No annual payment to any person with respect to land in any one State could exceed \$7,500.

Advertising and bid procedures could be used in determining the lands in any area to be covered by contracts.

The Secretary could not terminate a contract unless he determined that the nature of the violation was such as to defeat or substantially impair the purposes of the contract. Before termination the Secretary would have to give written notice to the producer who would have the opportunity within 30 days after the mailing or serving of the notice to show cause why the contract should not be terminated. A hearing, formal or informal as determined under regulations issued by the Secretary, would be held to determine whether to terminate the contract. If termination was determined, the producer would receive written notice thereof and would have 90 days after the mailing or service of the notice to appeal to the appropriate United States district court for a de novo determination of the facts in the case and judicial relief with respect thereto. The Secretary's determination on termination would become final and conclusive if the farmer failed to avail himself of the opportunity for a hearing within the 30-day period or for appeal to the court within the 90-day period.

amended, and to make such refunds to the United States of payments and benefits already received by him during such year under the contract and under said act, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this Act and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the

Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil, water, wildlife, or forest conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this Act, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the

term of the contract upon determination that it has fulfilled

the provisions of the contract entitling him to such payment.
The rate or rates of the annual payment to be provided for in
the contracts shall be established on such basis as the Secre-
tary determines will provide producers with a fair and reason-
able annual return on the land established in protective vege-
tative cover or water storage facilities, or other soil, water,
wildlife, or forest conserving uses, taking into consideration
the value of the land for the production of commodities cus-
tomarily grown on such kind of land in the county or area, the
prevailing rates for cash rentals for similar land in the
county or area, the incentive necessary to obtain contracts
covering sufficient acreage for the substantial accomplishment
of the purposes of the conservation reserve program, and such
other factors as he deems appropriate. Such rate or rates may
be determined on an individual farm basis, a county or area
basis, or such other basis as the Secretary determines will
facilitate the practical administration of the program. No
annual payment to any person with respect to land in any one
State shall exceed \$7,500.

(c) In determining the lands in any area to be covered
by contracts entered into under this section, the Secretary

may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

(d) The Secretary shall not terminate a contract under paragraph (6) of subsection (a) unless he determines that the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the Secretary has reason to believe that there has been a violation which would warrant termination of a contract he shall give the producer written notice thereof and the producer shall, if he requests such an opportunity within thirty days after mailing or serving of such notice, be given an opportunity to show cause, in a formal or informal proceeding under regulations promulgated by the Secretary, why the contract should not be terminated. If the Secretary determines that the contract shall be terminated the producer shall be given written notice of such determination. If the producer feels aggrieved by such determination, he may within ninety days after the mailing or service of such notice appeal to the United States district court, for the district in which the land covered by the contract is located, for a termination

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of the facts in the case and judicial relief with respect thereto. If the producer does not request an opportunity to show cause why the contract should not be terminated, within such thirty-day period, or appeal from the Secretary's determination within such ninety-day period, the Secretary's determination shall be final and conclusive.

CONSERVATION RESERVE GOAL

Sec. 208. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate

EXPLANATION OF CHANGES

Section 208 provides for the annual national conservation reserve goal and its distribution among States and major crop production regions. The national goal would be proclaimed each year not later than February 1. Such goal would represent that percentage which the Secretary determines would be practicable to cover by contracts during such year of the number of acres by which (1) the acreage needed for the production of agricultural commodities during the preceding year, plus any acreage then in the acreage or conservation reserve program or retired from production because of acreage allotment or marketing quotas programs, exceeds (2) the acreage needed during the year for which the determination is made for the production of commodities for domestic and export use and for adequate carry-over allowances. The 1956 national goal would be determined as soon as practicable after the enactment of the bill.

The national goal would be distributed among States and major crop production regions with due regard to the need for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate; diversion of acreage under acreage allotment and marketing quota programs; and the need to assume adequate production of agricultural commodities and crops not in surplus and to discourage the

CHANGES IN EXISTING LEGISLATION

enactment of this Act the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress annually a report of the scope of the conservation reserve program for such year and the basis for participation in such program in the various States and major crop production regions of the country.

EXPLANATION OF CHANGES

The Secretary would be required to report annually to Congress the scope of the program for that year and the basis for participation in such program in the various States and major crop production regions.

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AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

Sec. 209. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the five-year period 1956-1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) The period covered by any contract shall not exceed ten years, except that contracts for the establishment of tree cover may extend for fifteen years.

(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the costs of materials and services, in excess of \$450,000,000 in any calendar year.

TERMINATION AND MODIFICATION OF CONTRACTS

Sec. 210. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

EXPLANATION OF CHANGES

Section 209 provides that contracts may be entered into during the five years 1956 through 1960.

The maximum contract period would be 10 years except that contracts for tree cover could extend for 15 years.

The Secretary could not enter into contracts calling for payments to producers (including the cost of materials and services furnished to producers) in excess of \$450,000,000 in any calendar year.

Section 210 authorizes the termination of any contract by mutual agreement with the producer if the Secretary determined that such termination would be in the public interest. Provision is also made for the modification of contracts previously entered into as the Secretary determines to be desirable to facilitate the practical administration of the

CHANGES IN EXISTING LEGISLATION

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this Act and to facilitate the practical administration of the conservation reserve program.

CONSERVATION MATERIALS AND SERVICES

Sec. 211. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities, or other soil, water, wildlife, or forest conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determina-

EXPLANATION OF CHANGES

conservation reserve program.

Section 211 contains authority to make conservation materials and services available to farmers under the conservation reserve program. The Secretary could produce as well as purchase such materials and services under the conservation reserve program. The Secretary would be authorized to reimburse any Federal, State, or local government agency for materials or services furnished by such agency and to pay expenses necessary in making such materials and services available, including costs incident to the delivery, application, or installation of the materials and services.

Authority would be provided to use regular dealers in the furnishing of conservation materials and services and to make payments to such dealers in advance of determination of performance by producers. If the Secretary determined it to be necessary to protect the interests of producers and the Government fair prices for furnishing such materials and services could be established.

CHANGES IN EXISTING LEGISLATION

tion of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil, water, wildlife, or forest conserving uses, under contracts authorized by this subtitle

B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

EFFECT ON OTHER PROGRAMS

Sec. 212. Notwithstanding any other provision of law--

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract entered into under the conservation reserve program by reason of the establish-

EXPLANATION OF CHANGES

Section 212 provides that the acreage of cropland on any farm would not be decreased during the term of any contract for the purposes of determining acreage allotments and marketing quotas by reason of the establishment of protective cover or other use of land covered by contract under the conservation reserve program. The acreage determined to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out a contract entered into under the conservation reserve program would be considered to have been devoted to the production of the commodity for the purposes of determining future State, county and farm acreage allotments.

ment and maintenance of vegetative cover or water storage facilities, or other soil, water, wildlife, or forest conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended.

PROTECTION OF TENANTS AND SHARECROPPERS

Sec. 213. In the administration of the conservation reserve program, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including such provision as may be necessary to prevent them from being forced off the farm.

Section 213 directs the Secretary to take adequate safeguards to protect the interests of the tenants and sharecroppers, including such provision as may be necessary to prevent them from being forced off the farm.

CHANGES IN EXISTING LEGISLATION

GEOGRAPHICAL APPLICABILITY

Sec. 214. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C -- GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

Sec. 215. No person shall be eligible for payments of compensation under this Act with respect to any farm for any year in which the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural

Adjustment Act of 1938, as amended, or the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres, or the corn acreage on the farm exceeds the farm base acreage for corn. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage for corn unless

EXPLANATION OF CHANGES

Section 214 provides that the conservation reserve program shall be applicable to the continental United States, and may be extended, if the Secretary determines it to be in the national interest, to Alaska, Hawaii, Puerto Rico, or the Virgin Islands.

Section 215 requires as a condition of eligibility for payment under either the acreage reserve or conservation reserve program that the producer comply with all farm acreage allotments established under the Agricultural Adjustment Act of 1938, except that in the case of wheat, the wheat acreage must not exceed the larger of the farm wheat acreage allotment or fifteen acres, and in the case of corn, the corn acreage must not exceed the base acreage

CHANGES IN EXISTING LEGISLATION

such producer knowingly exceeded such allotment and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or fifteen acres, whichever is larger.

REAPPORTIONMENT PROHIBITED

Sec. 216. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

CERTIFICATE OF CLAIMANT

Sec. 217. Payment or compensation authorized by this Act may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

UTILIZATION OF LOCAL AND STATE COMMITTEES

Sec. 218. In administering this Act in the continental United States, the Secretary shall utilize the services of community, county, and State committees established under section

EXPLANATION OF CHANGES

Section 216 would prohibit the reapportionment or allotment to any other farm of any acreage diverted from the production of any commodity by reason of participation in either the acreage reserve or conservation reserve program.

Section 217 provides that payment of compensation authorized under the acreage reserve or conservation program could be made upon the basis of the claimant's certification that he has complied with all requirements of the program.

Section 218 directs the Secretary in administering the programs in the continental United States to use the community, county, and State committees established under the Soil Conservation and Domestic Allotment Act.

CHANGES IN EXISTING LEGISLATION

8 of the Soil Conservation and Domestic Allotment Act, as amended.

UTILIZATION OF OTHER AGENCIES

Sec. 219. With respect to conservation aspects of any program under this Act, the Secretary shall consult with the soil-conservation districts, State foresters, land-grant colleges, and other appropriate agencies of State governments in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

UTILIZATION OF LAND USE CAPABILITY DATA

Sec. 220. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

EXPLANATION OF CHANGES

Section 219 directs the Secretary to consult with soil conservation districts, State foresters, land-grant colleges and other appropriate State agencies in formulating at the State and county levels the conservation aspects of the programs. He would be required also to utilize, so far as practicable, the technical resources of the Soil Conservation Service, the Forest Service, land-grant colleges, State foresters, and other appropriate technical services to assure coordination of conservation activities and a solid technical foundation for the program.

Section 220 would require the Secretary to utilize as fully as practicable land use capability data in carrying out the acreage reserve and conservation reserve programs; and to carry forward to completion as rapidly as possible the basic land inventory of the Nation.

CHANGES IN EXISTING LEGISLATION

FINANCING

Sec. 221. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this Act, including payment of costs of administration for the programs authorized under this Act: Provided, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this Act which will require the making of expenditures prior to July 1, 1957; and, after February 1, 1957, no funds of the Commodity Credit Corporation shall be utilized for carrying out the purposes of this Act. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, including such amounts as may be required to make payments to the Corporation for its actual costs incurred under this section.

EXPLANATION OF CHANGES

Section 221 authorizes the Secretary to utilize the funds of the Commodity Credit Corporation to finance the Soil Bank program until February 1, 1957, and authorizes such appropriations as may be necessary to carry out the program, including such amounts as may be necessary to make payments to the Corporation for its costs.

The Secretary would be authorized to transfer funds to agencies of the Federal or State governments who are requested to cooperate or assist in carrying out the program and for technical assistance in connection therewith. Such payments could be made in advance of the time that the agency renders such assistance.

CHANGES IN EXISTING LEGISLATION

(b) All funds available for carrying out the purposes of this Act shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this Act; and for technical assistance in formulating and carrying out the programs authorized by this Act. The Secretary may make such payments in advance of determination of performance.

FINALITY OF DETERMINATIONS

Sec. 222. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this Act, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall

be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

EXPLANATION OF CHANGES

Section 222 provides that the facts constituting the basis for any payment or compensation under the Soil Bank program, or the amount thereof, shall be final and conclusive. It also provides that the Secretary may provide to whom payments or compensation may be made in case of the death, incompetency, or disappearance of any producer entitled thereto, or in case of succession in interest of any producer so entitled.

CHANGES IN EXISTING LEGISLATION

PENALTY FOR UNFAIR TREATMENT OF TENANTS OR SHARECROPPERS

Sec. 223. In any case in which the Secretary determines (1) that a producer has displaced any tenant or sharecropper, or reduced the acreage of any commodity farmed by any tenant or sharecropper, on any farm owned or controlled by such producer, (2) that such displacement or reduction was made in contemplation of, or on account of, participation by such producer in either the acreage reserve program or the conservation reserve program, and (3) that such displacement or reduction was without the consent of the tenant or sharecropper, the Secretary is authorized to deny such producer all or any part of the benefits provided under this Act.

REGULATIONS

Sec. 224. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this Act.

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

Sec. 225. No lease executed, renewed, or permitted to extend beyond its earliest termination or cancellation date

EXPLANATION OF CHANGES

Section 223 authorizes the Secretary to deny any producer all or any part of the benefits under the Soil Bank program if the Secretary determines that (1) the producer has displaced any tenant or sharecropper, or reduced the acreage of any commodity farmed by any tenant or sharecropper, on any farm owned or controlled by such producer, (2) such displacement or reduction was made in contemplation of, or on account of participation by such producer in either the acreage reserve or conservation reserve program, and (3) such displacement or consent was not consented to by the tenant or sharecropper.

Section 224 authorizes the Secretary to prescribe such regulations as necessary to carry out the provisions of the program.

Section 225 prohibits any agency of the United States from executing, renewing, or extending a lease beyond its earliest termination or cancellation date which would

CHANGES IN EXISTING LEGISLATION

by any agency of the United States as lessor after the enactment of this Act shall permit the lessee to produce on any land subject to such lease any agricultural commodity (other than livestock or livestock products) determined by the Secretary of Agriculture to be in surplus supply; but this section shall not be applicable to lands leased to the persons from whom they were acquired by condemnation, or under threat of condemnation, or to the lands in wildlife refuges if the President determines that the application of this section would interfere with the effective administration of such wildlife refuges, or to lands acquired adjacent to flood-control reservoirs.

EXPLANATION OF CHANGES

permit the lessee to produce on the leased land any agricultural commodity (other than livestock and livestock products) determined by the Secretary to be in surplus supply; but the section would not apply to lands leased to persons from whom acquired by condemnation, under threat of condemnation, or to lands in wildlife refuges if the President determines that application of the section would interfere with the effective administration of such wildlife refuges, or to lands acquired adjacent to flood-control reservoirs.

CHANGES IN EXISTING LEGISLATION

Sec. 226. (a) Notwithstanding any other provision of law, beginning with the 1957 crops, the Secretary shall require as a condition of eligibility for price support on any agricultural crop, except tung nuts, that the producer agree, if otherwise eligible, to devote an acreage of cropland (tillable in regular rotation) to either the acreage reserve program or the conservation reserve program, or both; Provided, That this requirement shall not be applied to any crop as a condition of eligibility for price support in any year in which marketing quotas are in effect on such crop as a result of a referendum conducted prior to the enactment of this act; Provided further, That this requirement shall not be applicable to any farm with 15 acres or less devoted to price-supported crops during any one marketing year; Provided further, That the amount of such acreage of cropland shall be determined by applying a percentage factor to the total acreage of cropland being planted to price-supported crops for harvest during the marketing years for which eligibility for price

EXPLANATION OF CHANGES

Section 226 provides that beginning with the 1957 crops, the Secretary shall require as a condition of eligibility for price support for any commodity that the producer devote a portion of his cropland to either the acreage reserve program or the conservation program equivalent to a percentage determined by the Secretary, not in excess of 15 percent, of his cropland which is being devoted to price-supported commodities. The foregoing condition of eligibility would not apply (1) to tung nuts; (2) to any crop in any year in which marketing quotas are in effect as a result of a referendum conducted prior to the enactment of the bill; or (3) to any farm with 15 acres or less devoted to price-supported commodities.

This section also provides that, except as the Secretary may otherwise provide by regulation, no producer shall be eligible for a soil bank payment if the acreage of cropland devoted to price-supported commodities other than tung nuts on any farm controlled by such producer is increased to an acreage greater than the average devoted to such crops in the immediately preceding 5 years.

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support is being determined. The percentage factor shall be that determined by the Secretary, and in no event in excess of 15 percent of the acreage of cropland being devoted to price-supported crops. The Secretary is authorized to make agricultural conservation payments for approved conservation practices performed on land removed from production for market under this section.

(b) Except as the Secretary may otherwise provide by regulation, no producer shall be eligible for any payment under this act if the acreage of cropland devoted to price-supported crops, other than tung nuts, on any farm controlled by such producer is increased to an acreage greater than the average devoted to such crops in the immediately preceding 5 years (considering normal rotation practices).

Sec. 227. Whenever management of family farms and/or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

EXPLANATION OF CHANGES

Section 227 would authorize the Secretary to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

CHANGES IN EXISTING LEGISLATIONCORN SET-ASIDE

Sec. 301. Notwithstanding the provisions of section 102 of the Agricultural Act of 1954, two hundred and fifty million bushels of corn shall be added to the commodity set-aside created pursuant to section 101 of that Act, and the maximum and minimum quantities of upland cotton shall be raised to nine million and seven and one-half million bales, and the maximum and minimum quantities of wheat shall be raised to 800 million and 750 million bushels, respectively.

PROGRAM OF ORDERLY LIQUIDATION

Sec. 302. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit a detailed program for the disposition of surplus commodities as required by subsection (a) to Congress within sixty days after the enactment of this Act and shall report annually thereafter on his opera-

EXPLANATION OF CHANGES

Section 301 adds 250 million bushels of corn to the set-aside established pursuant to section 101 of the Agricultural Act of 1954 and increases the quantities of cotton and wheat in the set aside to 7,500,000 - 9,000,000 bales of cotton and 750,000,000 - 800,000,000 bushels of wheat.

Section 302 requires the Secretary to submit to Congress within 60 days after the enactment of the Act a detailed program for the disposition of all stocks of agricultural commodities held by CCC and to report annually thereafter on operations undertaken to dispose of such stocks.

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tions under subsection (a). Such programs and annual reports shall show--

- (1) the quantities of surplus commodities on hand;
- (2) the methods of disposition utilized and the

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quantities disposed of during the preceding twelve months;

(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;

(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and
(5) recommendations for additional legislation necessary to accomplish the purposes of this section.

REESTABLISHMENT OF HISTORIC SHARE OF WORLD COTTON MARKET

Sec. 303. In furtherance of the current policy of the Com-
modity Credit Corporation of offering surplus agricultural com-
modities for sale for export at competitive prices, the Commodity
Credit Corporation is directed to use its existing powers and

Section 303 directs Commodity Credit Corporation to use its existing powers and authorities to reestablish and maintain the fair historical share of the world market for U. S. cotton. The section also provides that cotton made available by CCC under Section 102 of the Agricultural Trade Development and Assistance Act of 1954 shall be sold at competitive world prices.

authorities immediately upon the enactment of this Act to encourage sales for export of such quantities of cotton as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture. Cotton made available by the
Commodity Credit Corporation under section 102 of the Agri-

CHANGES IN EXISTING LEGISLATION

cultural Trade Development and Assistance Act of 1954, as amended, shall be sold at competitive world prices.

EXTRA-LONG STAPLE COTTON

Sec. 304. (a) Hereafter the quota for cotton having a staple length of 1-1/8 inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established.

(b) Effective not later than August 1, 1956, the Secretary of Agriculture and the Commodity Credit Corporation are directed to use their existing powers and authorities to encourage the sale for export at competitive world prices a quantity of domestically produced extra long staple cotton equal to the amount of such cotton acquired by and brought to the United States pursuant to the act of June 7, 1939, which acquisition was not limited by the quota established pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended. The amount offered and the price accepted by the Secretary and the Commodity Credit Corporation shall be such

EXPLANATION OF CHANGES

Section 304 would include cotton having a staple length of 1-11/16 inches or longer within the import quota under section 22 of the Agricultural Adjustment Act for cotton having a staple length of 1-1/8 inches and longer, and (2) directs the Secretary and the Commodity Credit Corporation to use their existing powers to encourage the exportation of a quantity of extra long staple cotton equal to the quantity which was acquired and imported under the Strategic and Critical Materials Stockpiling Act.

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as to dispose of such quantity in an orderly manner and within a reasonable period of time.

APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

Sec. 305. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that the 25 per centum limitation on the expenditure of funds with respect to any one agricultural commodity or product thereof shall not apply to the funds herein authorized.

TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL

STOCKPILE

Sec. 306. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stockpile Act (50 U.S.C.

EXPLANATION OF CHANGES

Section 305 authorizes an annual appropriation of 500 million dollars, free of the existing 25% limitation on the expenditure of funds with respect to any one commodity, to enable the Secretary of Agriculture to further carry out the provisions of Section 32.

Section 306 provides for the transfer to the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 of materials acquired by CCC under the barter program unless such materials were acquired for the national stockpile or were acquired for other purposes, and authorizes appropriations to reimburse CCC for the value of any materials so transferred. This section also provides that strategic materials acquired by CCC as a result of barter may be in

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98-98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

SURPLUS DISPOSAL ADMINISTRATOR

Sec. 307. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding \$15,000 per annum, whose duties

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ported free of duty as in the case of strategic materials imported for the national stockpile.

Section 307 authorizes the Secretary of Agriculture to appoint an Agricultural Surplus Disposal Administrator at a salary rate of not exceeding \$15,000 per annum.

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shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

USE OF VOLUNTARY AGENCIES

Sec. 308. That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

"Sec. 201. In order to enable the President to furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine or other urgent relief requirements, the Commodity Credit Corporation shall make available to the President out of its stocks such surplus agricultural commodities (as defined in section 106 of title 1) ~~freely--vessels-in-United-States-ports,~~ as he may request, for transfer (1) to any nation friendly to the United States in order to meet famine or other urgent relief

EXPLANATION OF CHANGES

Section 308 authorizes the payment from funds available under Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, of ocean-freight charges on commodities delivered by the Commodity Credit Corporation under Title II and under Section 416 of the Agricultural Act of 1949, as amended, upon a determination of the President that such payment is necessary to accomplish the purposes of the legislation. The limitation on expenditures under Title II is increased from \$300,000,000 to \$500,000,000.

requirements of such nation, and (2) to friendly but needy populations without regard to the friendliness of their government.

"Sec. 202. The President may authorize the transfer on a grant basis of surplus agricultural commodities from Commodity Credit Corporation stocks to assist programs undertaken with friendly governments or through voluntary relief agencies: Provided, That the President shall take reasonable precaution that such transfers will not displace or interfere with sales which might otherwise be made: Provided further, That such transfer may include delivery free on board vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title, or section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry for such nations or populations, may be paid from funds available to carry out this title.

"Sec. 203. Not more than \$300,000,000 \$500,000,000 (including the Corporation's investment in the commodities) shall be expended for all transfers, including delivery on board vessels in United States ports, under this title and

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for ocean freight charges authorized by this title. The President may make such transfers through such agencies including intergovernmental organizations, in such manner, and upon such terms and conditions as he deems appropriate; he shall make use of the facilities of voluntary relief agencies to the extent practicable."

COMMISSION TO PREPARE LEGISLATION PROVIDING FOR INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

Sec. 309. (a) (1) There is hereby established a Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of five members to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in

EXPLANATION OF CHANGES

Section 309 establishes a commission of five members, to be appointed by the President, whose duty shall be to prepare and present to the Congress, not later than June 15, 1957, recommendations for increased industrial use of agricultural products not needed for human or animal consumption.

the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time

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basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the

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sentatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional rights of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

DONATION TO PENAL AND CORRECTION INSTITUTIONS

Sec. 310. Notwithstanding any other limitations, as to the disposal of surplus commodities acquired through price-support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate commodities acquired through price-support operations to Federal penal and correctional

EXPLANATION OF CHANGES

Section 310 authorizes Commodity Credit Corporation to donate commodities acquired through price support operations to Federal penal and correctional institutions, except food products may not be given institutions in which service is provided for inmates on a fee, contract, or cession basis.

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institutions, other than food products to those in which food service is provided for inmates on a fee, contract, or concession basis.

FEDERAL IRRIGATION, DRAINAGE AND FLOOD-

CONTROL PROJECTS

Sec. 311. (a) For a period of 3 years from the date of enactment of this act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal loan payments or benefits on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of 3 years from the date of enactment of this act surplus crops grown on lands reclaimed

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Section 311 provides that for a period of 3 years after enactment of the act no crop loan or Federal loan payment shall be made with respect to an agricultural commodity determined by the Secretary of Agriculture to be in surplus supply, grown on any newly irrigated or drained lands within a Federal project hereafter authorized, unless such lands had been used for the production of the commodity prior to the enactment of the act. Surplus crops grown on lands reclaimed by flood-control projects hereafter authorized, and the lands so reclaimed, will be ineligible for any soil-back or price-support benefits during such three-year period.

by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price-support legislation.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of subsection (a) during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation of drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

Sec. 312. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence

Section 312 amends Section 416 of the Agricultural Act of 1949, as amended, to authorize the Commodity Credit Corporation in the case of food commodities donated there-

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thereof a new sentence, as follows:

"Sec. 416. In order to prevent the waste of commodities acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served; and (4) to donate any such food

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under to pay costs of processing such food commodities into a form suitable for home or institutional use.

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(2), and (3) above to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government and intergovernmental organizations for use in the assistance of needy persons outside the United States. In the case of (3) and (4) above the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation. In order to facilitate the appropriate disposal of such commodities, the Secretary may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3) and (4) above. The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency, in the case of commodities made available for use within the United States, or their delivery free alongside

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the case of commodities made available for use outside the United States. In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible. For the purpose of this section the terms 'State' and 'United States' include the District of Columbia and any Territory or possession of the United States."

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CHANGES IN EXISTING LEGISLATION

EXTENSION OF SURRENDER AND REAPPORTIONMENT PROVISIONS FOR

WHEAT ACREAGE ALLOTMENTS

SEC. 401. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957."

"SEC. 334 . . . (f) Any part of any ~~1955~~ 1955, 1956, or 1957 farm wheat acreage allotment on which wheat will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of wheat tillable acres, crop rotation practices, type of soil, and topography.

If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserves under sub-

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Section 401 extends to the 1956 and 1957 crops of wheat the provisions of Section 334(f) of the Agricultural Adjustment Act of 1938, as amended, whereby wheat producers who did not plant all their 1955 wheat allotments could release the unused portion of the allotment. The amount released would be deducted from the allotment for the farm from which released, and would be reapportioned by the county committee to other farms in the same county. If not needed in the county, the county committee could surrender the acreage to the State committee for the purposes of establishing "new" farm allotments. In establishing future allotments, acreages so released and reapportioned are credited to the released farms rather than to the farms to which surrendered. Provision for permanent release of allotments is made

under this provision shall be regarded for the purposes of subsection (c) of this section as having been planted on the farm from which transferred rather than on the farm to which transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having wheat planted thereon during the three-year base period: Provided, That notwithstanding any other provisions of law, any part of any ~~1955~~ 1955, 1956, or 1957 farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage surrendered, reapportioned under this subsection, and planted shall be credited to the State and county in determining future acreage allotments."

SEC. 402. (a) That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

Section 402 exempts from wheat marketing quotas, farms using their entire wheat crop on the farm for food, feed, or seed.

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"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1956 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm;

"(2) That such entire crop of wheat is used for food or seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner or operator of the farm;

"(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

(b) Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control

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of such producers as determined by the Secretary. In the event an exemption becomes null and void, the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm."

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

SEC. 403. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

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Section 403 provides that the national marketing quotas for cotton for 1957 and 1958 shall not be less than the number of bales required to provide national acreage allotments for 1957 and 1958 equal to the 1956 national acreage allotment.

COTTON--SMALL FARM ALLOTMENTS

SEC. 404. (a) Section 344 (b) of the Agricultural Adjust-
ment Act of 1938, as amended, is amended by inserting
before the period at the end thereof a colon and the follow-
ing: Provided, That there is hereby established a national
acreage reserve consisting of one hundred thousand acres
which shall be in addition to the national acreage allotment;
and such reserve shall be apportioned to the States on the
basis of their needs for additional acreage for establishing
minimum farm allotments under subsection (f) (1), as deter-
mined by the Secretary without regard to State and county
acreage reserves (except that the amount apportioned to
Nevada shall be one thousand acres), and the additional
acreage so apportioned to the State shall be apportioned to
the counties on the same basis and added to the county acre-
age allotment for apportionment to farms pursuant to sub-
section (f) of this section (except that no part of such
additional acreage shall be used to increase the county reserve

Section 404 would, for 1957 and 1958, amend section 344 of the Agricultural Adjustment Act of 1938, as amended to provide 100,000 acres (1,000 acres of which is earmarked for the State of Nevada) to be used to assist in establishing in all counties minimum farm allotments of four acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller. The 100,000 acres would in addition to the national acreage allotment.

above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall be not less than the smaller of (1) the remaining acreage so determined to be required for establishing

minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acres)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period."

(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determined that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings

during such three-year period: Provided, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: Provided further, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops.

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MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE CROP

SFC. 405. Section 353 of the Agricultural Adjustment

Act of 1938, as amended, is amended by adding to subsection

(c) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

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Section 405 would amend section 353 of the Agricultural Adjustment Act of 1938, as amended, to provide minimum State rice acreage allotments for 1956 equal to 85 percent of final allotment established for 1955. Any acreage apportioned to farms in the State from the national reserve acreage would be included in determining the minimum allotment. The final allotment for 1955 would include the State allotment originally determined plus the increased acreages allotted in the State through legislation enacted after State allotments were originally determined.

In States having county allotments the increase in State allotments would be apportioned among counties on same basis as the State allotment had theretofore been apportioned among counties, but without regard to adjustments for trends in acreage.

PEANUT MARKETING PENALTIES

SBC. 406. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to ~~50-per-centum-of-the-basis~~ ~~rate-of-the-lien-(calculated-to-the-nearest-tenth-of-a-cent)-for-farm-marketing-quota-peanuts~~ 75 percent of the support price for peanuts for the marketing year (August 1-July 31)."

SBC. 407. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 percent per

Section 406 amends 359(a) of the Agricultural Adjustment Act of 1938, effective beginning with the 1956 crop, to increase the marketing penalty applicable to peanuts from 50 to 75 percent of the peanut support price for the marketing year.

Section 407 amends 359 of the Agricultural Adjustment Act of 1938 to provide (1) for interest at the rate of six percent per annum on any peanut marketing penalty not paid when due by the person liable for the payment or collection of the penalty, and (2) for a lien in favor of the United States on the crop of peanuts with respect to which a penalty is incurred and on the subsequent crops of peanuts in which the person liable for payment of the penalty has an interest until the amount of marketing penalty on peanuts is paid.

annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States."

VIRGINIA AND VALENCIA TYPE PEANUTS

SEC. 408. Section 358 (c) (2) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the second sentence thereof a new sentence as follows:

"In any State in which the acreage devoted to the production of Virginia or Valencia type peanuts for 1956 or any subsequent year is less than ten thousand acres, the Secretary shall increase the acreage allotment of such State for such year by 50 per centum, if there is filed with the

Section 408 provides that in any State in which the acreage devoted to the production of Virginia or Valencia type peanuts for 1956 or any subsequent year is less than ten thousand acres, the Secretary shall increase the acreage allotment of such State by 50 per centum, if processors within such State file a written statement with the Secretary of their intention to purchase the peanuts produced on such additional acreage at not less than parity.

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Secretary by processors within such State a written statement of their intention to purchase the peanuts produced on such additional acreage at not less than the parity price thereof, such statements for years subsequent to 1956 to be filed prior to the announcement by the Secretary of the national marketing quotas for such years."

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 409. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

"SEC. 377. In any case in which, during any year after 1955 for which acreage allotments are in effect for any commodity under this Act, the acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage

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Section 409 would provide that with respect to the 1956 and subsequent crops of any commodity for which acreage allotments under the Agricultural Adjustment Act of 1938, as amended, were in effect, the entire acreage allotment for the farm would be considered for purposes of the farm acreage allotments as having been planted to the commodity in such year if the owner or operator of the farm notified the county committee prior to the 60th day preceding the beginning of the marketing year of his desire to preserve the farm acreage allotment of the commodity. This provision would not be applicable to any farm on no acreage of the commodity was planted for four successive years or in any case in which the amount of the commodity of any previous crop stored to postpone or avoid payment of penalty had been reduced because the allotment was fully planted. No other farm would be permitted to use acreage of which notice was given under the section.

allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable to any farm on which no acreage of the commodity was planted for four successive years or in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

SEC. 410. (a) Notwithstanding any other provision of law, and in lieu of corn acreage allotments for 1956 (which shall be inoperative for 1956), the Secretary shall require as a condition of eligibility for price support on corn, that the producer agree to devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either

Section 410 provides that for 1956 the Secretary shall require as a condition of eligibility for price support corn that the producer, in lieu of complying with a corn acreage allotment, shall be required to devote an acreage of his cropland to either the acreage reserve program or conservation reserve program, equal to 15 per centum of base acreage for corn.

The Secretary would be required to conduct a referendum of producers in the commercial corn producing area to determine whether for 1957 and subsequent crops of corn,

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the acreage reserve program or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn. The producer by electing to participate in the acreage reserve program, underplanting his farm base acreage for corn, and otherwise complying with the provisions of section 203 hereof, shall earn a payment under subtitle A of this title. The producer by electing to participate in the conservation reserve program and otherwise complying with the provisions of section 207 hereof shall earn a conservation reserve payment under subtitle B of this title.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

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in lieu of acreage allotments, and price support as provided in section 101 of the Agricultural Act of 1949, acreage allotments would be discontinued and price support would be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

This section also provides that the price of grain sorghums, barley, oats, and rye, in any area, shall be supported at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed value of such grains bear to the feed value or corn, except that the support price in any area for the 1956 crop of any such commodity shall not be lower than the support price already announced. As a condition of eligibility for price support, the producer shall be required to place into the acreage reserve or the conservation reserve a portion of the tillable acres of such commodities equivalent to 15 per centum of the average number of acres devoted to production of such commodity during the preceding 3 years, and to plant an acreage of such commodities not exceeding the average acreage plan to such commodities on the farm during the preceding 3 years. After 1956 the support level for such commodity would be 95 percent of the support level established for corn in the commercial area, with such adjustments on price-support levels for each such grain as determined by the feed equivalent that such grain bears to the feed value of corn.

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(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) The price of grain sorghums, barley, oats, and rye, respectively, shall be supported in any area through loans, purchases, or other operations during 1956 at a price determined by the Secretary to bear the same ratio to the support price of corn in such area as the feed value equivalents of such grains bear to the feed value of corn: Provided, That (1) the support price in any area for the 1956 crop of any such commodity shall not be lower than the support price therefor announced prior to the

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enactment of this subsection, and (2) the producers of such commodities, to be eligible for price support, shall have (a) entered into contracts with the Secretary to place into the acreage reserve or the conservation reserve a portion of the tillable acres of grain sorghums, rye, oats, and barley equivalent to 15 percent of the average number of acres devoted to production of such commodities during the preceding 3 years, and (b) planted an acreage of such commodities not exceeding the average acreage, planted to such commodities on the farm during the preceding 3 years. After 1956 the support level on any such crop shall be 95 percent of the support level established for corn in the commercial area, with such adjustments on price-support levels for each such grain as determined by the feed equivalent that such grain bears to the feed value of corn.

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SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "TITLE III--PARITY PAYMENTS, CONSUMER SAFEGUARDS, ~~AND~~ MARKETING QUOTAS, AND RICE CERTIFICATES"; (2) by changing the designation of subtitle D thereof TO READ AS FOLLOWS: "SUBTITLE D E--MISCELLANEOUS PROVISIONS AND APPROPRIATIONS"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"SUBTITLE D--RICE CERTIFICATES

"LEGISLATIVE FINDINGS

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this sub-

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Section 501 provides for a two price plan for rice of the 1956 and 1957 crops. A primary market quota for rice is to be determined and proclaimed by the Secretary of Agriculture for each marketing year. This primary market quota is to be determined on the basis of the number of hundredweights of rough rice which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba during the marketing year, taking into consideration the historical consumption of United States rice in these markets and any expected increase in consumption. For 1956, the primary market quota is to be apportioned among the States on the basis of the 1955 production of rice in each State. For 1957, the primary market quota is to be apportioned among the States on the basis of the average yield per acre of rice in each State during 1955 and 1956, multiplied by the acreage allotment for the State. Each State quota is to be apportioned among farms in the State on the basis of the acreage allotment established for each farm, multiplied by the normal yield per acre for the farm.

Price support is required to be made available by Commodity Credit Corporation to cooperators through loans, purchases, or other operations on the 1956 crop of rice at 55 per centum of the parity price of rice as of the beginning of the marketing year. On the 1957 crop, the level of support is to be at such level as the Secretary of Agriculture determines will not discourage or prevent exportation of rice produced in the United States, but such level is not to be less than 50 per centum nor more than 90 per centum of the parity price.

Certificates would be issued by the Secretary of Agriculture to cooperators each marketing year for farms having primary market quotas. Such certificates would be issued for a quantity of rice equal to the primary market quota for the farm but not more than the normal yield for the acreage

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"EFFECTIVE DATE AND TERMINATION

"SEC. 380b. The provisions of this subtitle, unless extended by law, shall apply only to the crops of rice harvested in 1956 and 1957. Notwithstanding any other provision of law, the national acreage allotment of rice for 1957 shall be not less than the national acreage allotment for 1956, including any acreage allotted under section 353 (c) (5) of this Act, and such 1957 national allotment shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.

"RICE PRIMARY MARKET QUOTA

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year, except that for the marketing year beginning in 1956 such determination and proclamation shall be made

not later than thirty days after the enactment of the Agricultural Act of 1956. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed

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will be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year and the level of price support for rice for such marketing year multiplied by the quantity of rice for which the certificate is issued. The landlord and his tenants or sharecroppers would share in the certificates in the same proportion as they share in the rice produced on the farm or the proceeds therefrom. Commodity Credit Corporation would be authorized to sell certificates to persons engaged in processing or importing rice. Commodity Credit Corporation would redeem at its value any certificate not used to cover the processing or importation of rice.

Beginning August 1, 1956, each person processing rough rice in the United States (excluding Puerto Rican or Hawaiian rice processed in Puerto Rico or Hawaii) would be required to acquire certificates in an amount sufficient to cover the quantity of rough rice processed. Each person importing processed rice into the United States on or after August 1, 1956, would also be required to acquire certificates covering the rough rice equivalent of such processed rice. Upon the exportation to any country other than Cuba of processed rice with respect to which certificates were acquired, Commodity Credit Corporation would pay the exporter an amount equal to the value of the certificates for the rough rice equivalent of the processed rice.

The provisions of this section would not be applicable non-irrigated rice produced on any farm on which the acreage planted to non-irrigated rice does not exceed three acres or rice grown in Puerto Rico or Hawaii.

In order to facilitate the transition to the two-price plan, inventory adjustment payments would be made to all persons owning rough rice located in the continental United States as of July 31, 1956, except that payments would not be made with respect to 1956-crop rice, imported rice, or rice acquired from Commodity Credit Corporation. Such payments

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in the United States (including its Territories and possessions and the commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"APPORTIONMENT OF PRIMARY MARKET QUOTA

"Sec. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year. Notwithstanding the foregoing provisions of this subsection, the primary market quota for rice shall be apportioned by the Secretary among the several

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would be in amounts equal to 35 per centum (the difference between 90 per centum and 55 per centum) of the parity price of rice as of August 1, 1956, multiplied by the quantities of such rough rice. An appropriation to reimburse Commodity Credit Corporation for such payments is authorized.

This section also gives the Secretary discretionary authority to transfer to the commodity set-aside, established pursuant to Section 101 of the Agricultural Act of 1954, all rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the 1956 marketing year for rice, not exceeding 20,000,000 hundred weight of rough rice or its equivalent in processed rice.

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States for the marketing year beginning in 1956 on the basis of the 1955 production of rice in each State.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"REVIEW OF PRIMARY MARKET QUOTA

"Sec. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies.

The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

"PRICE SUPPORT

"Sec. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on the 1956 crop of rice at 55 per centum of the parity price of rice as of the beginning of the marketing year and on the 1957 and subsequent crops of rice at such level, not less than 50 per centum or more than 90 per centum

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of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of the 1956 and 1957 crops, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"CERTIFICATES

"Sec. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm

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in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued.

Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l

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of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"INVENTORY ADJUSTMENT PAYMENTS

"Sec. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of July 31, 1956, in amounts equal to 35 per centum of the parity price of rice as of August 1, 1956, multiplied by the quantities of such rough rice: Provided, however, That such payments shall not be made with respect to rice of the 1956 crop, imported rice, or rice acquired from Commodity Credit Corporation. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"RICE SET-ASIDE

"Sec. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the 1956 marketing year, not exceeding twenty

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million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"EXEMPTIONS

"Sec. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres or to rice produced in Puerto Rico, or Hawaii.

"PROCESSING RESTRICTIONS

"Sec. 380k. (a) Each person who on or after August 1, 1956, engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

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"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 3801, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"IMPORT RESTRICTIONS

"Sec. 3801. Each person who, on or after August 1, 1956, imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

"REGULATIONS

"Sec. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"CIVIL PENALTIES

"Sec. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations

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prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation.

Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"REPORTS AND RECORDS

"Sec. 380o. (a) The provisions of section 373 of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

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"DEFINITIONS

"Sec. 380p. For the purposes of this subtitle --

"(a) 'cooperator' shall have the same meaning as under

the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough

rice for the first time to any process which removes the husk

or hull from the rice and results in the production of

processed rice.

"(c) 'processed rice' means any rice from which the husk

or hull has been removed and includes, but is not limited to --

"(1) whole grain rice,

"(2) second head milled rice,

"(3) screenings milled rice,

"(4) brewers milled rice,

"(5) undermilled rice or unpolished rice,

"(6) brown rice,

"(7) converted rice, malekized rice or parboiled

rice, and

"(8) vitaminized rice or enriched rice.

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"(d) 'United States' means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) 'exporter' means the consignor named in the bill of lading under which the processed rice is exported: Provided, however, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) 'rough rice equivalent' means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

"(g) 'import' means to enter, or withdraw from warehouse, for consumption."

CHANGES IN EXISTING LEGISLATIONASSISTANCE TO STATES FOR TREE PLANTING AND REFORESTATION

Sec. 601 (a) The Congress hereby finds and declares

that building up and maintaining a level of timber growing
stocks adequate to meet the Nation's domestic needs for a
dependable future supply of industrial wood is essential to
the public welfare and security; that utilizing the more than
fifty million acres of idle non-Federal and Federal lands for
this purpose would not only add to the economic strength of
the Nation, but also bring increased public benefits from
other values associated with forest cover; and that it is the
policy of the Congress that the Secretary of Agriculture in
order to encourage, promote, and assure fully adequate future
resources of readily available timber should assist the States
in undertaking needed programs of tree planting.

(b) Any State forester or equivalent State official may
submit to the Secretary of Agriculture a plan for forest land
tree planting and reforestation for the purpose of effecting
the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the
plan, he is hereby authorized and directed to assist the

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Section 601 provides for assistance to States for tree planting and reforestation. The major provisions of this section would:

- (1) Establish a policy of Congress that the Secretary of Agriculture should assist the States in undertaking needed programs of tree planting.
- (2) Permit a State to draw up a plan of reforestation that would further this purpose and submit such plan to the Secretary of Agriculture for his consideration and approval.
- (3) When the Secretary has approved the plan, authorize and direct him to assist the State in carrying out the plan which assistance may include furnishing advice, technical assistance and financial contributions up to an amount equal to the State expenditure for the same purpose during the same fiscal year.
- (4) Require the Secretary to obtain cooperation and assistance of other Federal agencies and the appropriate State Foresters in the approval and carrying out of the plan when it includes forest lands under such other Federal agencies' jurisdiction.

State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: Provided, That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

Sec. 602. (a) For the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

(c) In connection with the gathering of price informa-

Section 602 provides for price reporting and research with respect to forest products. This section would direct the Secretary to: (1) Establish a price reporting service for basic forest products such as standing timber, sawlogs, and pulpwood; cooperation with State and private agencies is authorized; (2) conduct and stimulate research aimed at developing the efficiency of marketing forest products; (3) study price trends and relationships for basic forest products and within two years report thereon to the Congress.

riized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within two years from the date of enactment of this Act shall submit a report thereon to the Congress.

(e) In the conduct of research activities under the Act of May 22, 1928 (45 Stat. 699), and the Act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the

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provisions of this section.

(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary.

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SURVEY OF EXISTING SYSTEM OF GRADING MEAT

Sec. 701. The Secretary of Agriculture is authorized and directed to make a full and complete study of the existing systems of grading beef, veal, lamb, and mutton, with a view to determining whether such systems serve the best interests of both consumers, processors, and producers. In making such study, the Secretary shall give due consideration to problems of consumers, processors, and producers in the various regions of the country, and in the course of such study he shall use the services and facilities of land grant colleges wherever practicable. The Secretary shall report to the Congress at the earliest practicable date the results of his study together with such recommendations as he may deem desirable for improvement in such systems.

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Section 701 directs the Secretary of Agriculture to make a study of the existing systems of grading meat, and to make a report thereon to the Congress, together with such recommendations for improving such such systems as he may deem desirable.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

March 23, 1956
March 22, 1956
84th-2nd, No. 51

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HIGHLIGHTS: Rep. Jones, Mo., defended House Agriculture Committee against allegations of dilatory tactics in consideration of farm bill. Rep. Johnson, Wis., criticized flexible price support of dairy products and cited decline in dairy products producers' gross income. Rep. Gross urged acceleration of consideration of farm bill and soil bank proposal. Rep. Sikes urged increased Federal-State cooperation in forestry programs. Rep. Fountain criticized this Department's actions in CCC cheese purchase. Sen. Humphrey said farm program was factor in Minnesota primary election.

SENATE

1. FARM PROGRAM. The "Daily Digest" states that "conferees of the Senate met in executive session with representatives of the House Committee on Agriculture to discuss H. R. 12, Agricultural Act of 1956. It was announced that a conference meeting will be held on this bill on Monday, March 26". p. B289

Sen. Humphrey spoke of the farm program as being a factor in the results of the Presidential primary election in Minnesota. p. 4775

Sen. Langer inserted several resolutions adopted by the Water Users Irrigation Conference relative to the sale of lands within irrigation districts, minor construction by irrigation districts, increasing the sugar beet quota, increasing acreage allotments for small farmers, and expanding the noxious weed program. p. 4718

2. FORESTRY. The Agriculture and Forestry Committee reported without amendment the following bills: p. 4719

H. R. 374, to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest (S. Rept. 1702).

H. R. 1855, to authorize the Secretary of Agriculture to (1) require, whenever it is determined to be in the public interest, that satisfactory co-operative arrangements be made before any research is undertaken by the Forest Service; (2) establish a Forest and Range Research National Advisory Committee; (3) advance funds to cooperators when cooperative research work will be

stimulated or facilitated by so doing; and (4) pay from Forest Service research activities funds the travel and subsistence expenses of the members of the Forest and Range Research National Advisory Committee in connection with their attendance at meetings for the purpose of performing their duties (S. Rept. 1703).

3. WATER CONSERVATION. The Agriculture and Forestry Committee reported without amendment H. R. 7236, to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices (S. Rept. 1704). p. 4719
4. SEEDS. The Agriculture and Forestry Committee reported with amendment S. 1688, to prescribe civil penalties for violations of the Federal Seed Act (S. Rept. 1701). p. 4719
5. PUBLIC LANDS. The Agriculture and Forestry Committee reported with amendment S. 2246, to authorize the sale of certain lands to the city of Wall, S. Dak. (S. Rept. 1700); and without amendment H. J. Res. 112, to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C. (S. Rept. 1707). p. 4719
6. COMMITTEE ASSIGNMENTS. Sen. Anderson was excused from further service as a member of the Agriculture and Forestry Committee and assigned to the Finance Committee. Sen. Johnson was excused from further service as a member of the Finance Committee and assigned to the Appropriations Committee. Sen. Laird was assigned to the Post Office and Civil Service Committee. p. 4717
7. FORESTRY. Sen. Morse spoke in favor of and explained the provisions of a bill (S. 3420) he recently introduced to expand the construction of forest access roads, and inserted the text of the bill and statements relative to it. p. 4758

HOUSE

8. FARM PROGRAM. Rep. Jones, Mo., defended the Agriculture Committee and the Democratic Party membership against allegations of dilatory tactics in consideration of the farm bill. p. 4783
Rep. Gross urged that consideration of the farm bill, including the soil bank proposal, be accelerated, even foregoing the scheduled Easter recess. However, Rep. Jones contended that consideration would be given to the farm bill as soon as possible, after study of its provisions. p. 4788
9. DAIRY PRODUCTS. Rep. Johnson, Wis., criticized the operation of flexible price supports as contributing to the alleged decline in the gross income of the dairy farmer. p. 4783
10. FORESTRY. Rep. Sikes urged increased Federal-State cooperation in tree planting activities, forest fire control, forestry research, and forest management. He urged that obstacles to accomplishment of these objectives be overcome as soon as possible. p. 4788
11. SURPLUS COMMODITIES. Rep. Fountain criticized this Department's actions in certain Commodity Credit Corporation cheese purchase and resale activities of March and April 1954 and inserted correspondence between this Department and

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
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House sent farm bill to conference. House subcommittee ordered reported bill amending date of announcement of tobacco marketing quotas. House committee ordered reported bill authorizing U. S. membership in OTC.

HOUSE

1. FARM PROGRAM. Reps. Colley, Poage, Gathings, Hope, and Andresen were appointed conferees on H. R. 12, the farm bill. p. 4989 (Senate conferees were appointed on Mar. 19.) Reps. Arends, Miller, Neb., and Gross questioned Rep. Cooley regarding the time when a report might be forthcoming, but Rep. Cooley urged that temperate consideration be taken of the measure and said it would require considerable thought. p. 4990

Rep. Deane urged that, in consideration of H. R. 12, there should be some provision for the adjustment of acreage allotments and marketing quotas as affected by abnormal weather conditions. p. 4984

Rep. Berry recommended that Congress forego its scheduled Easter recess until farm legislation is passed. p. 4985

Rep. Miller said conferees should complete action on the farm bill as soon as possible. p. 4986

Rep. Hoffman criticized Rep. Cooley for stating that Secretary Benson would not be called before the committee, and alleged a rather close tie existed between Rep. Cooley and Mr. W. Reuther. p. 4986 Rep. Holland defended Mr. Reuther against the alleged attacks of Rep. Hoffman. p. 4987

The "Daily Digest" states that the Agriculture Committee met in executive session on H. R. 12 and adopted motions expressing its sense that the committee is opposed to a compulsory soil-bank plan and that the proposed limitation on price support benefits should be \$25,000. p. D290

2. LIVESTOCK AND MEATS. Rep. Jensen inserted the text of several spot announcements used on Station KMA, Shenandoah, Ia., promoting the increased consumption of meat and dairy products. p. 4987
3. TOBACCO. The Tobacco Subcommittee of the Agriculture Committee ordered favorably reported to the full committee H. R. 9474, to provide for the amendment of the time for announcement of tobacco marketing quotas by the Secretary, by providing that the announcement for flue-cured tobacco should be December 1 of any marketing year and February 1 for other kinds of tobacco. p. D290
4. PERSONNEL. Both Houses received from the Civil Service Commission a proposed bill "to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, to provide nonoccupational group major medical expense insurance for Federal employees and their dependents...."; to the Post Office and Civil Service Committees. pp. 4894, 5009
5. INFORMATION. Passed with amendments H. R. 8957, to extend the time within which the commission may report on the plans for a D. C. Civic Auditorium. p. 4988, 4991
6. MONOPOLIES. Rep. Patman inserted a statement of the National Council of Farmer Cooperatives supporting H. R. 11, to prohibit certain price discriminations in trade. p. 5006
7. FOREIGN TRADE. The Ways and Means Committee ordered reported with amendments H. R. 5550, to authorize U. S. membership in the Organization for Trade Cooperation. p. D291

SENATE

8. FOREIGN AFFAIRS. Passed as reported S. 3116, to authorize the President to provide for promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals. p. 4911
9. PUBLIC LANDS. Passed as reported S. 2246, to authorize the sale of certain lands to the city of Wall, S. Dak. p. 4917
Passed without amendment H. J. Res. 112, to release reversionary right to improvement on a 3-acre tract in Orangeburg County, S. Car. This bill is now ready for the President. p. 4925
10. SEEDS. Passed as reported S. 1688, to prescribe civil penalties for violations of the Federal Seed Act. p. 4917
11. FORESTRY. Passed without amendment H. R. 374, to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Calif. This bill is now ready for the President. pp. 4918, 4923
Passed without amendment H. R. 1855, to authorize the Secretary of Agriculture to advance funds to cooperators when cooperative forest research work will be stimulated or facilitated by so doing. This bill is now ready for the President. pp. 4923, 4924 (The other provisions mentioned in Digests 50 and 51 were not in the bill as reported and passed in the Senate.)
The Interior and Insular Affairs Subcommittee on Territories ordered reported to the full committee S. 2517, to provide for releasing from escrow certain receipts from the sale of timber within the Tongass National Forest, Alaska. p. D288

would be inconceivable without them. These principles are not incompatible with great material prosperity. On the contrary, unless we are deeply mistaken, they are indispensable to it. We are not willing to have prosperity, however, if our fellow-citizens must suffer contempt for it, or lose the rights that belong to every American in order that we may enjoy it. The price is too great.

Here is a great body of our Jewish fellow citizens, from whom have sprung men of genius in every walk of our varied life, men who have become part of the very stuff of America, who have conceived its ideals with singular clearness and led its enterprise with spirit and sagacity. They are playing a particularly conspicuous part in building up the very prosperity of which our Government has so great a stake in its dealings with the Russian Government with regard to the rights of men. They are not Jews in America; they are American citizens. In this great matter with which we deal tonight, we speak for them as for representatives and champions of principles which underlie the very structure of our Government. They have suddenly become representatives of us all. By our action for them shall be tested our sincerity, our genuineness, the reality of principle among us.

I am glad this question has been thus brought into the open. There is here a greater stake than any other upon which we could set our hearts. Here is the final test of our ability to square our politics with our principles. We may now enjoy the exhilaration of matching our professions with handsome performance. We are not here to express our sympathy with our Jewish fellow citizens, but to make evident our sense of identity with them. This is not their cause; it is America's. It is the cause of all who love justice and do right.

The means by which the wrongs we complain of may be set right are plain. There is no hostility in what we do toward the Russian Government. No man who takes counsel of principle will have in his thought anything but purposes of peace. There need be for us in this great matter no touch of anger. But the conquests of peace are based upon mutual respect. The plain fact of the matter is that for some 40 years we have observed the obligations of our treaty with Russia and she has not. That can go on no longer. So soon as Russia fully understands that it can go on no longer, that we must, with whatever regret, break off the intercourse between our people and our merchants, unless the agreements upon which it is based can be observed in letter and in spirit, the air will clear. There is every reason why our intercourse should be maintained and extended, but it cannot be upon

such terms as at present. If the explicit provisions of our present agreement cannot be maintained, we must reconsider the matter in the light of the altered circumstances and see upon what terms, if any, of mutual honor our intercourse may be reestablished. We have advantages to offer her merchants, her mine owners, her manufacturers, which her Government will not despise. We are not suppliants. We come with gifts in our hands. Her statesmen see as clearly as ours. An intolerable situation will be remedied just as soon as Russia is convinced that for us it is, indeed, intolerable.

Mr. LANGER. Mr. President, I wish to compliment the distinguished Senator from New York for bringing this matter so forcefully to the attention of the Senate. The Senator from New York has done many, many fine things in the years during which he has been a Member of this body, but I know nothing which, in my opinion, is finer or greater than his calling to the attention of the Senate the discrimination against the Jewish people.

I might add, Mr. President, that it is a source of great pleasure to me to have the Senator from New York so forcefully, brilliantly and completely bring this subject to the attention of the Senate. I sincerely hope the Senate will take action, through the proper committee, to see that the situation is remedied.

Mr. LEHMAN. I may say to the Senator from North Dakota that this is nothing new. I have heard of the discriminations for some time. I brought them to the attention of the State Department in several communications. I wrote to them, and I have their acknowledgments; but nothing has happened. I have received in reply to my communications polite notes, expressing interest in general terms, but also making it perfectly clear that the State Department was not going to do anything at all.

Also, I brought the matter to the attention of the Senate within the last 2 or 3 weeks. Again, nothing has happened. So I was very glad indeed to recall it to the attention of both the Senate and the State Department here today, in the hope that something would be done to restore the dignity and the rights of this country and its citizens. I think the speech delivered by Woodrow Wilson in 1911 is a great document.

It is just as important today as it was 45 years ago. I sincerely hope that every Member of Congress, and also many of the American public, will read, ponder, and study that speech.

I thank the Senator from North Dakota.

Mr. LANGER. If the distinguished Senator from New York will introduce a resolution, I shall be glad to co-sponsor it; and as a member of the Committee on Foreign Relations, I shall be glad to bring to the attention of the committee the correspondence which the Senator from New York has had with the State Department. In other words, I shall do anything which the Senator from New York may suggest, in order to get the action which undoubtedly is needed to make certain that this condition is remedied.

Mr. LEHMAN. I thank the Senator from North Dakota, and I shall certainly be very glad to consult with him.

Mr. DOUGLAS. May I join with both the Senator from New York and the Senator from North Dakota in advocating this policy?

Mr. LEHMAN. I thank the distinguished Senator from Illinois.

RECESS UNTIL 10:30 A. M. TOMORROW

The PRESIDING OFFICER (Mr. KENNEDY in the chair). What is the pleasure of the Senate?

Mr. MORSE. Mr. President, pursuant to the order previously entered, I move that the Senate stand in recess until 10:30 a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 58 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Tuesday, March 27, 1956, at 10:30 'clock a. m.

NOMINATION

Executive nomination received by the Senate March 26, 1956:

UNITED NATIONS

Stanley C. Allyn, of Ohio, to be the representative of the United States of America to the 11th session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

House of Representatives

MONDAY, MARCH 26, 1956

The House met at 12 o'clock noon.

Father George P. Gallos, Greek Orthodox Church of the Annunciation, Baltimore, Md., offered the following prayer:

God of our Father, to Thee, author of liberty, to Thee we pray. On this occasion of the 135th anniversary of Greek independence, we ask Thee, Lord, to bless the Greek people. Keep alive in them the love of liberty for which they bravely fought and sacrificed. Grant that the Greek Nation ever may be on the side of justice, democracy, and freedom.

Lord God of Hosts, we pray for America, this land of ours, on which Thou hast bestowed so many rich blessings. Make us worthy of our inheritance. Let not Thy wrath descend upon us. Save us from new ordeals and tribulations, for wars and rumors of wars are shaking the equilibrium of the earth and heavy clouds are invading the tranquil heavens of peace.

O Ruler of the Universe, preserve in harmony those who govern us. Make them vigilant and keep them from falling into the spirit of sloth, faintheartedness, lust for power, and idle talk. Grant them, rather, strength to do Thy will, wisdom to govern well, and make them worthy laborers of Thy kingdom, a kingdom of love, goodness, justice, mercy, and peace.

Lord of Love, who didst command the disciples to pray for their enemies and who didst pray for those who crucified Thee, grant that we, too, may forgive those who hate us and show brotherly love to those who maltreat us. Enlighten us, through the light of Thy truth, O Lord, and guide us in the paths of Thy precepts. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, March 22, 1956, was read and approved.

THE FARM BILL

(Mr. DEANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEANE. Mr. Speaker, today the House and Senate conferees begin the job of harmonizing differences between the farm bills, H. R. 12, which passed the House May 5, 1955, and S. 3183, which passed the Senate March 19, 1956. Let us hope that our conferees will bring back to both Houses a farm bill which will be most effective in bringing needed solutions to our pressing farm problems.

It is in connection with the work of these conferees that I bring to the attention of the House at this time the need

for writing into the new farm law specific language directing the Secretary of Agriculture to make provision for adjusting previous acreage yields for abnormal weather conditions in computing the basis for production under the proposed soil-bank plan. Under the soil-bank plan, if the proposed rental rate for price-supported commodities removed from production is to be based on average production over the years 1950-55, counties in those States which have been hit by hurricanes, abnormal freezes, drought, and other abnormal weather conditions during the past 4 or 5 years will be put at a serious disadvantage.

For the purpose of the record, I would like to give an example of how abnormal weather conditions have reduced cotton production per acre in one of the counties of my congressional district. This county is Scotland County, N. C., and I cite the following tables to show cotton production per acre in that county for the period 1944-49 as compared with the period 1950-55:

Cotton acreage production, Scotland County, N. C.

Year:	Pounds lint per acre
1944-----	536
1945-----	413
1946-----	347
1947-----	307
1948-----	378
Average-----	396
Average at 15 cents per pound equals-----	\$59.40
1950-----	210
1951-----	349
1952-----	266
1953-----	220
1954-----	289
Average-----	267
Average at 15 cents per pound equals-----	40.05
Difference-----	129
Difference at 15 cents per pound equals-----	19.35

I am advised that in S. 3183 there is a provision under section 205 (a) and under section 207 (a) granting the Secretary of Agriculture permission to set the rates of annual compensation for payment under the soil-bank plan and authorizing him to determine the basis on which this compensation will be made for participation in the soil-bank plan. Mr. Speaker, I fervently hope that the conferees will include in the new farm bill a directive to the Secretary of Agriculture stating that in determining the basis of compensation for participating in the soil-bank plan, low acreage yields due to abnormal weather conditions in any given county or area will be taken

into full consideration. Unless such a provision is included in the new farm bill, the Secretary of Agriculture could pay scant attention to the real handicap of farmers in these stricken areas. I see no reason to penalize farmers in these stricken areas. We now have an opportunity to assist these people in catching up with their rightful economic position in the farm picture.

In the matter of computing a basis for compensation under the soil-bank plan, I respectfully urge the conferees on the farm bill to take into full consideration the abnormal weather conditions of farmers in stricken areas during the past 5 years.

IMRE DE CHOLNOKY

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1240) for the relief of Imre de Cholnoky.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Imre de Cholnoky shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE DUCKETT

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1005) for the relief of Alice Duckett, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 6, strike out all after "act" down to and including "available" in line 11.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

JULIAN LIZARDO AND OTHERS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the bill (H. R. 4039) for the relief of Julian, Dolores, Jaime, Dennis, Roldan, and Julian, Jr., Lizardo, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 3, 4, and 5.

Amend the title so as to read: "An act for the relief of Julian, Dolores, Roldan, and Julian, Jr., Lizardo."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

PROGRAM FOR BALANCE OF THE WEEK

(Mr. MARTIN asked and was given permission to address the House for 1 minute.)

Mr. MARTIN. Mr. Speaker, I take this time so that we may ascertain from the majority leader as to the program for the balance of the week.

Mr. McCORMACK. Tomorrow we will call up House Resolution 357, a resolution giving the Committee on Interstate and Foreign Commerce certain powers of investigation into traffic accidents. Following that will be the adjournment resolution to be brought up tomorrow, a resolution adjourning over the Easter recess.

Mr. MARTIN. One of my colleagues from Pennsylvania wants to know when he might expect the rule to be brought up which has been granted for a study of the coal industry.

Mr. McCORMACK. Well, the gentleman has not asked me. I assume that in matters of that kind Members who are interested in it would at least extend the courtesy to the leader of asking him about it.

Mr. MARTIN. I am sure it is not any intended discourtesy on his part.

Mr. McCORMACK. Oh, I did not say "discourtesy," because the question of discourtesy would be on my part, and I would not permit anybody to think that I would consider their act as a discourtesy.

Mr. MARTIN. The Committee on Rules has granted a rule, and he was wondering when it would be brought up.

Mr. McCORMACK. All he had to do was to come and speak to me. He did not have to bother my good friend from Massachusetts. I have not heard from him. But, in the light of the situation, I think it will come up after the Easter recess. But all he had to do was to manifest a little interest that he wanted the bill brought up, as I have stated.

Mr. MARTIN. Well, he probably thought that when the Committee on Rules granted a rule that was an indication that it would soon be brought up, and he was anxious to know when.

Mr. McCORMACK. My friend from Massachusetts knows that that does not automatically follow. I might say that some of my Democratic friends from Pennsylvania also have spoken to me

about it. I shall program it right after Easter.

Mr. MARTIN. I thank the gentleman.

Mr. McCORMACK. I shall be very happy to do it. I did not know what the gentleman's own commitments were. Sometimes a Member's commitments are such that he does not want a bill brought up immediately. The gentleman from Massachusetts [Mr. MARTIN] appreciates the situation, as he is the leader when his party is in control; sometimes a Member does not want a bill brought up at a certain particular time.

Mr. MARTIN. This gentleman does want it brought up, and as early as possible.

Mr. McCORMACK. I shall be very happy to bring it up right after Easter.

Mr. MARTIN. May I ask the gentleman whether he intends to ask the House to go over from Tuesday to Thursday?

Mr. McCORMACK. I shall be very glad to discuss that with the gentleman from Massachusetts. We can arrange that in a matter of a few seconds.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I should like to ask a question about the farm bill. Will that be before us by the Easter recess or is that something that will have to wait?

Mr. McCORMACK. That is a very interesting inquiry. Does the gentleman want me to make a speech on that? There are 38 amendments to the farm bill. Who knows what the farm bill is? Is the gentleman prepared to vote on the bill as it passed the Senate?

Mr. MILLER of Nebraska. I am just wondering if conferees will be appointed before the Easter recess or after?

The SPEAKER. The Chair will answer that; they will be.

Mr. McCORMACK. The gentleman from Nebraska [Mr. MILLER] may make his inquiry, but those matters will be taken care of.

Mr. MARTIN. The Speaker has already given assurances that the bill will promptly be sent to conference.

Mr. McCORMACK. I will answer the gentleman from Massachusetts [Mr. MARTIN], who is the leader of the gentleman's party.

Mr. MILLER of Nebraska. The Speaker has already given assurances that conferees will be appointed. I thank the gentleman very much.

COMPETITIVE LEADERSHIP OF UNITED STATES AIRLINES

(Mr. MILLER of California asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I should like to call to the attention of the House an outstanding tribute to the initiative and competitive leadership of the airlines of the United States by Sir William Hildred, director general of the International Air Transport Association with headquarters in

Montreal. IATA, as it is called for short, is the trade organization of all of the world's certificated lines, with membership open to any airline certificated by its own country. Sir William was a witness before the Antitrust Subcommittee of the Committee on the Judiciary on March 15. In the course of explaining the functions of his organization, Sir William pointed out that there had been a steady decline in international air fares in the 10 years since the close of World War II. At page 748 of the transcript he said:

And I ascribe the decline shown of fares which I put to you largely to the initiative of the American carriers who occasionally had to be extremely persuasive with some of their European colleagues who were less equipped and less venturesome.

And again, in discussing the excellent low-fare services offered by the United States domestic airlines, Sir William declared:

I am not surprised, sir, that you get this service. It is a magical development in the States. There is nothing like it anywhere (transcript, p. 762).

And finally, Sir William, in discussing the leadership of the United States airlines in the world, added:

They lead because they have got first-class men and they are progressive, but they do not try to dominate (transcript, p. 762).

Mr. Speaker, those remarks coming from an Englishman of Sir William Hildred's stature are, I submit, the highest sort of praise for our United States scheduled air carriers. In my opinion, we can be justly proud of the leading role which our United States airlines are playing on the stage of world aviation. They ought to have our commendation for keeping fares low in a period when prices and wages are rising. They ought to have our praise for their part in developing the most modern type of transport planes.

We, in Congress, can take some justifiable pride in the sound regulatory pattern which we enacted in 1938 and which has resulted in the intense competition among the airlines which has brought such tremendous benefits to our people.

NO EASTER RECESS UNLESS ACTION IS HAD ON FARM BILL

(Mr. BERRY asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BERRY. Mr. Speaker, I take the floor today to demand that there be no congressional Easter recess unless and until the farm bill has been approved by both Houses of Congress and has been sent to the President.

There is nothing to come before Congress this session that is as important to the economy of the entire Nation as the immediate passage of this legislation. By fast action, the differences between the two Houses could be resolved prior to the Easter recess. If, however, these differences are not resolved, there should be no congressional recess.

Spring planting time is rapidly creeping up on the farmers all the way across

the Nation. Time is tremendously important. So far as I am concerned, I, too, would appreciate a 10-day "breather" from our labors here on Capitol Hill, but I want no part of any vacation until the farm bill is passed and signed by the President.

The continued high level of the economy of this Nation rests upon the foundation of a thriving agricultural economy. If the national economy is to remain at its present level, then farm income and the farm economy must be improved.

There are features of the farm bill as passed by the Senate that need correcting, but we will never correct them by taking off for Florida or going to our home States. The only way to work out these differences is by tightening our belts and settling down to hard, solid work.

The economic future of agriculture is far too important a matter to be used as a political football. For the good of the Nation, for the good of agriculture, it must be kept on a nonpolitical, nonsectional basis. The economic future of agriculture is also far too important to be rated second to a congressional recess.

Mr. Speaker, I demand that the House and Senate withhold any plans for an Easter recess until the farm bill is passed.

ONE HUNDRED AND THIRTY-FIFTH ANNIVERSARY OF GREEK INDEPENDENCE

(Mr. KEATING asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEATING. Mr. Speaker, March 25 marked the 135th anniversary of the beginning of the struggle by Greece for independence from Ottoman tyranny. On that day, Greeks all over the world pay tribute to the heroes of the past who fought for freedom and reaffirm their determination to retain their hard-won independence. It is also an opportunity for all of us to honor this great nation which has made such a significant contribution to our civilization as we know it today and which proudly carries on that heritage.

Shelley once said:

We are all Greeks. Our laws, our literature, our religion, our art, all have their roots in Greece.

He was right. So long as men pay tribute to the altars of learning, culture, and civilization, names like Solon and Lycurgus, Plato and Aristotle, Pindar and Homer, Demosthenes and Aeschylus—Greeks all—will be held high.

The torch of liberty leapt into flame in Athens. From that time on the Hellenic tradition has taught us the blessings of freedom and the dignity only the free can enjoy. It is fitting, therefore, that America and Greece should have welded strong bonds of mutual understanding and friendship.

We may well recall that the success of the American Revolution gave great encouragement to those who sought freedom and independence in other parts of the world. Greek patriots took heart

from our example and turned to us for help in the 1820's when their struggle for independence came out into the open. Greeks remember with pride the words of President Madison in his message to Congress in 1822:

The name of Greece fills the mind and heart with the greatest and noblest sentiments. * * * It was * * * natural for * * * this people * * * to arouse enthusiasm and sympathy everywhere in the United States.

With our encouragement and under the leadership of men like Archbishop Germanos, Alexander Ipsilanti, and Rigas Fereos, Greece finally gained the independence for which she had begun to fight in 1821. She then rebuilt the nation based on the principles of democracy that had first found expression in ancient Greece. As our own Declaration of Independence acknowledges the dependence of this country upon God, so the memorable Greek document voices these inspiring words:

In the name of the Holy and Indivisible Trinity, the Greek nation, wearied by the dreadful weight of Ottoman oppression, and resolved to break its yoke, though at the price of the greatest sacrifice, proclaims today before God and man, by the organ of its lawful representatives, met in national assembly, its independence.

Mr. Speaker, many sons and daughters of Greece have contributed to the greatness of our Nation. We are proud of these American citizens of Greek ancestry who have transplanted their affections to our shores and who, in adopting the American way of life, have added to it the rich heritage of Hellenic ideals and culture.

The durability of the Greek spirit of independence was never subjected to a more rigid test than during the trying days of World War II. The tenacity with which the Greeks resisted the German invasion was not wiped out with defeat. Rather, through numerous guerilla bands and other means of resistance, they continued to harass the invaders.

With the end of the occupation, and aided by a helping hand from the United States, Greece began a new life. The rapid progress made by Greece in the last decade is a source of pride and admiration to the people of the civilized world. The place of Greece in the community of free nations is now secure. Greece stands today as 1 nation, 1 language, 1 people, 1 history, 1 greatness.

The principles of the Greek people have inspired mankind through the centuries. They continue to do so today. While paying tribute to the contributions of the Greeks to our present way of life, let us also rejoice that the bonds of friendship between the United States and Greece are strong and enduring. And let us work constantly to keep them so.

At the same time let us remember that there are other countries less fortunate than the United States and Greece. There are still those who are not free. Today, as in the days when the people of Greece were fighting for their freedom, it is clear that to deprive one people of freedom is to threaten the freedom of all people. Greek Independence Day should

serve to remind us that the battle for freedom must be carried on unceasingly.

Mr. Speaker, a great heritage imposes stern responsibilities. I am sure that Greeks everywhere do not wish to rest upon the laurels of a rich and full past. They have a solemn and inspiring trust. It is a proud consciousness of a wonderful past and a grave challenge to help build for a greater tomorrow.

CHAIRMAN OF THE COMMITTEE ON AGRICULTURE

(Mr. HOFFMAN of Michigan asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Speaker, the morning paper tells us that the gentleman from North Carolina [Mr. COOLEY], the head of the Committee on Agriculture, says that he is not going to ask Mr. Benson to come up here before the Agriculture Committee and talk about the farm bill because he says Mr. Benson might make a speech and get out a little effective propaganda. In view of the fact that the chairman of the Committee on Agriculture had his picture taken with Mr. Walter Reuther, published in a 36-page pamphlet—which was circulated at the expense of the CIO, with pictures and all—I am wondering whether the gentleman intends to ask Mr. Reuther, the farmer and farm expert, to come up here instead of the Secretary as he does not have time for the Secretary of Agriculture. Sure ask the head of the CIO-UAW to come up and tell us what the farmer needs—one thing certain, the farmer is not in favor of permitting Reuther to charge him monthly dues for the right to work in his own fields. Some of our Detroit friends may be able to tell us. Of course, I understand the committee chairman can get more explicit political orders out of Reuther than he can out of Benson. But that is no reason why Mr. Benson should not have the right of petition. Must be that there is some fear the Secretary might convince not only some members of the public but some committee members as well.

THE FARM BILL

(Mr. MILLER of Nebraska asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Nebraska. Mr. Speaker, I ask for this time, not to irritate anyone with reference to the farm bill, but I do have engraved upon my memory the fact that a sugar bill was passed by this House last year, and by the other body in February, and conferees were not appointed until just a few days ago. Now I understand the conferees have permanently adjourned. It looks as if the men who plant sugar beets and cane for sugar will have to go along without any program.

It is the responsibility of the majority party, that controls the Congress, to appoint conferees. I did have some apprehension about when conferees would be

appointed for the agricultural bill, for it is an important piece of legislation. I hope they work long and hard. A good farm bill is a must.

I plan that tomorrow, unless I can get some assurance that the conferees will act, to object to the Easter recess and ask that a rollo call be held upon an Easter recess. The conferees may complete their work and we can get some action on the farm bill. If it is apparent they are not going to be able to get together within the 8 or 10 days that we may be absent from Washington, I might reconsider, but my present intention would be to ask for a rollo call upon the question of whether we should have a recess. I presume the chairman of the Agriculture Committee can give us some idea as to how soon a conference can be arranged. There should be no delay such as we have experienced in the sugar bill.

LABOR AND THE FARM PROBLEM

(Mr. HOLLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOLLAND. Mr. Speaker, I feel that I cannot sit here and listen to the gentleman from Michigan make an attack on Mr. Reuther. It is a fact that Mr. Reuther heads a large labor organization. He has been elected by the membership of that organization. For the information of the gentleman from Michigan, may I say that Mr. Reuther is just as interested in the farm problem, if not more so, than Mr. Benson.

Labor realizes that the greatest customer it has is the farmer. Labor is cooperating to better the condition of the farmers. I think it might be well for Mr. Benson to talk to Mr. Reuther a little bit more. Maybe he will learn a little more about the economics of America and how labor is trying to do all it possibly can to help the farmers of America.

ROLLCALL VOTE ON EASTER RECESS

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I take this time to propound a question to the majority leader [Mr. McCORMACK]. Is there any agreement of any nature which would preclude a rollo call vote tomorrow?

Mr. McCORMACK. My friend knows that it is impossible for any Member to make an agreement that would preclude a rollo call. Members can always get a rollo call if one-fifth of the Members present support such a request.

Mr. GROSS. Is it not by understanding that a rollo call would be precluded today?

Mr. McCORMACK. On what?

Mr. GROSS. On any legislation that came up; for reasons of a religious observance.

Mr. McCORMACK. Yes. I appreciate the gentleman from Iowa refreshing my mind. It is a religious holiday of those of the Jewish faith. That does not

apply to tomorrow. I get the gentleman's point. He is asking if there is any understanding that would apply such as in the case of a religious holiday or a primary or anything of that kind. No; there is nothing like that for tomorrow.

CORRECTION OF RECORD

Mr. McCORMACK. Mr. Speaker, on page A2561 of the RECORD of March 22 appears an insertion of mine of a news item appearing March 12 in the New York Times and relating to our distinguished friend, the gentleman from Illinois, Mr. WILLIAM L. DAWSON, together with personal remarks of my own of the very high regard I have for BILL DAWSON.

Through a mistake, the remarks that I made as a part of the insertion carries the name of Congressman WILLIAM A. DAWSON and, of course, it should have been WILLIAM L. DAWSON. I might say that our friend, Congressman WILLIAM A. DAWSON, very kindly called this to my attention. I ask unanimous consent that the permanent RECORD be changed so that wherever the name WILLIAM A. DAWSON appears, it will appear WILLIAM L. DAWSON instead.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EAT MORE MEAT

(Mr. JENSEN asked and was given permission to address the House for 1 minute and to include a letter from radio station KMA at Shenandoah, Iowa.)

Mr. JENSEN. Mr. Speaker, radio station KMA of Shenandoah, Iowa, has millions of regular listeners all over the breadbasket of the United States of America. KMA is telling their listeners many times each day about the value of eating meat and eggs, and of drinking milk and I am sure it will have good effect out there. Now the CONGRESSIONAL RECORD is sent to many thousands of newspapers, radio and television stations all over America, and they could render no better service to their audiences than to follow KMA's lead, to acquaint their audiences with the benefits of eating and enjoying these most delicious health-giving foods. I shall insert here a sample of KMA's spot announcements with my compliments.

The letter and radio announcements are as follows:

KMA,
Shenandoah, Iowa, March 15, 1956.
Congressman BEN JENSEN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN JENSEN: In an effort to do something about declining prices of farm products, radio station KMA has initiated a campaign of its own to promote increased consumption of meats, eggs, poultry, milk, etc.

On February 7 KMA began an announcement campaign at every stationbreak to promote meat eating and milk drinking on the theory that as consumption rises, prices will be improved. And as consumption rises, health also improves.

Between February 7 and March 7 radio KMA aired a total of 819 short promotion announcements, an average of almost 27

per day (see attached sample). This promotion is continuing as a public service to our agriculture industry. For your information, the population within KMA's one-half million primary coverage area is 2,859,300.

You are recognized as a leader in the promotion of farm products. To help us in determining our future plans, we would be very pleased if you would take a minute to make a special effort to let us know how you evaluate our promotion.

Sincerely,

MAY BROADCASTING Co.,
ANTHONY J. KOELKER,
Station Manager.

COPY FOR CHAINBREAK RADIO SPOTS

To insure your good health—eat more meat.

A good health insurance tip—eat more meat.

Keep your children happy with a glass of health-giving milk at each meal.

Enjoy ham and eggs for breakfast, and wear a smile all day.

Meat is nutritious—eat an extra pork chop today.

Start the day right—eat bacon with your breakfast.

For a happy disposition—eat a steak for dinner tonight.

Enjoy a breakfast delight with fresh delicious eggs produced in KMAland.

Roast beef is wonderful—fix your family a luscious roast tonight.

Nothing beats pork chops for those hungry school-going children—try some today.

Milk not only makes the kids healthy—it's good for adults, too.

Try lamb chops and mint sauce for dinner tonight.

Bacon and eggs—ham and eggs—that's just the ticket for these chilly mornings.

Meat is your best value in nutrition—stock up today.

Mr. MOULDER. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I am glad to yield to the gentleman.

Mr. MOULDER. Can the gentleman tell me why in view of the surplus wheat and corn, bread is never served in the House restaurants without specially ordering it?

Mr. JENSEN. Well I wish some one could give a better reason than I have heard. I am told that some fellow got in the habit of coming to the restaurant and eating an awful lot of bread free gratis. They tell me he would buy a cup of coffee and a cup of our famous bean soup for 20 cents, and then with it he would eat a loaf or more of bread. I am told that is why we now must pay for the bread we eat here with our meals. That is the only answer I have ever heard to your question. Now, if you had a better answer I will be glad to listen.

The SPEAKER. The time of the gentleman from Iowa has expired.

UNITED STATES GOVERNMENT-OWNED PROPERTY

(Mr. DIES asked and was given permission to address the House for 1 minute.)

Mr. DIES. Mr. Speaker, I call your attention to a very important report which has been released by the Committee on Government Operations. This report is an inventory and an appraisal of all properties owned by the United States Government. It is the result of an investigation which was conducted by

the committee in pursuant to a resolution introduced by me on January 5, 1955. The committee will now continue its investigation to determine the present reasonable market value of all holdings of the United States Government. I have this day introduced a bill requiring the Secretary of the Treasury to include in the statement of the financial condition of our Government as assets the total investments in personalty and realty. When the Government Operations Committee completes its appraisal of the reasonable market value of the personalty and realty owned by our Government we will have an accurate and clear picture of the financial condition of our Government. My bill also requires the Secretary of the Treasury to appraise the reasonable market value of such property so that he can substitute this value for the total investment figure in the financial statements issued by the Treasury. Those investments would approximate \$208 billion. The present market value of all our holdings may exceed that amount.

I believe that the Government of the United States, just like any corporation or private concern, should include in its financial statements the assets of the Government.

I am also introducing a resolution calling upon the Government Operations Committee to investigate the loss in tax revenue suffered by States and local units because of the tremendous holdings of the Federal Government and to determine a long-range policy of reimbursements. It seems to be that if we want to preserve and protect States and local sovereignty, we must do something to prevent the drying up of their sources of revenue.

CORRECTION OF RECORD

Mr. HESELTON. Mr. Speaker, in the extension of my remarks of March 22 printed on page A2588, in the third full paragraph, second column, the word "sore" appears. In my typewritten copy the word read "sort."

I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District day. The gentleman from South Carolina [Mr. McMILLAN] is recognized.

EXTEND TIME FOR REPORT ON CIVIC AUDITORIUM IN DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 8957) to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia, and to provide that such Commission shall continue in ex-

istence until the construction of such auditorium has been completed, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (c) of the first section of the act entitled "An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center," approved July 1, 1955 (Public Law 128, 84th Cong.), is amended by striking out the word "and" at the end of paragraph (3) and by striking out paragraph (4) and inserting in lieu thereof the following new paragraphs:

"(4) make a report to the President and to the Congress, together with its recommendations, by May 1, 1956; and

"(5) after the submission of its report and recommendations, continue in existence until the construction of the auditorium has been completed and render such assistance in the establishment thereof as it deems advisable."

SEC. 2. Subsections (a) and (c) (1) of the first section of such act are each amended by striking out "civic auditorium" and inserting in lieu thereof "national civic auditorium."

SEC. 3. Notwithstanding the provisions of section 3 of such act approved July 1, 1955, there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of such act.

Mr. McMILLAN. Mr. Speaker, the purpose of this legislation is to extend the date within which the District of Columbia Auditorium Commission may submit its report and recommendations to the Congress of the United States.

Under Public Law 128 of the 84th Congress, the Commission was required to make a report and recommendations to the Congress on February 1, 1956. The Commission is not now prepared to file this report, and it is believed that the time for this report should be extended to December 31, 1956, in order that the Commission may have adequate time to prepare adequate recommendations and reports in accordance with Public Law 128 of the 84th Congress.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 6, strike out "May 1, 1956" and insert "December 31, 1956";

Mr. McCORMACK. Mr. Speaker, I offer a substitute for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK as a substitute for the committee amendment: Strike out the words "December 31, 1956" and insert in lieu thereof "January 31, 1957"; and

Strike out paragraph 5, page 2, from line 8 to line 11, inclusive; and

Amend the title by striking out the comma after the phrase "District of Columbia", inserting a period, and striking out the balance of the title.

Mr. McMILLAN. The committee accepts the substitute amendment.

Mr. BONNER. Mr. Speaker, I move to strike out the last word, and ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, on Wednesday of last week the Committee on Merchant Marine and Fisheries, of which I am chairman, approved a report on several bills dealing with matters in the Interior Department. On that day I asked unanimous consent to have until midnight to file the report.

The reason for the delay in filing the report was so that we could get a letter from the Secretary of the Interior signed by him agreeing to certain matters in the report.

On Thursday morning I had my staff call the Assistant Solicitor, Mr. Chaney, of the Department of the Interior, pertaining to this letter. We were advised that Mr. Chaney was at the Capitol. We asked where we could contact him at the Capitol. We were advised that he was having a conference with the gentleman from Michigan [Mr. HOFFMAN]. On that day Mr. HOFFMAN addressed himself to the report.

Mr. Speaker, earlier that day the gentleman from Michigan [Mr. HOFFMAN] made certain remarks on the floor concerning a story which appeared in the Washington Post and Times-Herald concerning the report that was signed unanimously by the members of the Committee on the Merchant Marine and Fisheries. It is not my intention to engage in any extended debate at this time concerning the matters set forth in this report. Suffice it to say that the report was based upon extremely comprehensive public hearings before the full committee during the months of January and February. Invitations were sent to every possible individual or association both in and out of Government that might have facts bearing on the subject before the committee.

Our principal interest revolved about the merits of several bills which had been introduced that would require the Department of the Interior to come before the Congress and ask for special legislation each time any wildlife refuge or part thereof was to be disposed of.

First, let me say that the story in the Washington Post was not entirely correct in several respects. For example, it is not true, as the story says, that the committee exacted a promise from the Secretary of the Interior to give the committee a 60-day notice in connection with future disposals. The facts are that subsequent to the hearings Secretary McKay met with the ranking members of the Committee on Merchant Marine and Fisheries, both Republicans and Democrats. The hearings had clearly demonstrated the need for some legislative control over the authority to impair the value of wildlife refuges, particularly in the granting of oil and gas leases.

There were three possible alternative methods of exercising that control. The first was that encompassed in the bills under consideration, namely, requiring special legislation each time. The second was to enact legislation requiring

committee approval of each disposal, a procedure now in effect with respect to acquisition and disposal of lands by the armed services. The third was an informal arrangement or understanding between the Secretary and the committee whereby opportunity to review and express its approval or disapproval of disposal action would be given the committee by the Secretary.

Secretary McKay himself enthusiastically adopted the latter suggestion and indicated he thought such a procedure might be of benefit to all concerned, including the Department of the Interior. As to the number of leases granted from 1920 to August 1953, as compared to the increased number granted since that time, neither the figures given in the Post story or those given by the gentleman from Michigan [Mr. HOFFMAN] are entirely correct. For a complete discussion of this phase of the matter, I most sincerely recommend a reading of the report itself.

However, very briefly, 11 leases were granted on wildlife refuges between 1920 and August 1953 as against 60 between the period of August 1953 and December of 1955. While these figures relate to wildlife refuge lands, there are other lands administered by the Fish and Wildlife Service which are available for wildlife-conservation purposes. On these lands 281 leases were granted between 1920 and 1953 as against 214 leases granted between 1953 and 1955.

The gentleman from Michigan has alleged that certain actions of the committee have been taken without proper authority.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BONNER. I must remind the gentleman that under the Legislative Reorganization Act of 1946 it is not only proper but obligatory upon the committee to carefully scrutinize administrative actions by the Fish and Wildlife Service of the Department of the Interior. Then again, under House Resolution 118 of the 84th Congress the Merchant Marine and Fisheries Committee was authorized to conduct investigations into the operation of this agency. Under these authorities can it be argued with any logic whatsoever that it is not proper for the Merchant Marine and Fisheries Committee to request a department to withhold action on a questionable transaction until the committee has had an opportunity to review the matter? Or is the committee to be forever placed in the hopeless position of criticizing after the fact and trying to lock the door after the horse has been stolen?

The gentleman from Michigan also seems to think that the criticism directed at the Secretary of the Interior in the committee report was influenced in some way by political considerations. Let me assure the gentleman and Members of

this body that politics had absolutely nothing to do with this report or with the conclusions contained therein. In support of that statement, Mr. Speaker, I refer to the fact that this report was approved by 23 members on both sides of the aisle on my committee without a dissenting vote; in fact, it was unanimously accepted and approved by all those attending the committee on that day.

I have referred to the report as being critical of the Secretary of the Interior. It is critical; there is no denying that. I will say, however, that there are many administrative deficiencies and almost unbelievable situations contained in the hearings which are not referred to in the report. I recommend, therefore, to each and every Member of this House that he read the hearings and judge for himself the sufficiency and justification for the action we have taken.

If the Members of this House will read this report, they will soon learn that the Committee on Merchant Marine and Fisheries was most charitable to the Secretary of the Interior, the Fish and Wildlife Service, as well as to the entire Department of the Interior, because the report will absolutely show that there was chaos existing in the Fish and Wildlife Service. Administrative matters were being passed from the Secretary of the Department out into the field without the Director knowing anything about it.

Mr. HOFFMAN of Michigan. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Yes.

AGRICULTURAL ACT OF 1949 AS AMENDED

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ARENDS. Mr. Speaker, reserving the right to object—and, of course, I am not going to object, because I think this bill should have been in conference long before today, and I am glad indeed that it is finally going to conference. With spring planting at hand, time has been, and is of the essence. There seems to me to have been unnecessary delay, as well as questionable maneuvering in connection with this all-important legislation.

I should like to ask a question of the gentleman from North Carolina; that is, if he feels there is any possibility of his conference committee bringing back a report this week.

Mr. COOLEY. Mr. Speaker, I should like to say to the gentleman that we have had our committee in session all morning. As you know, this bill is very broad

and comprehensive, very complex and controversial. I have requested the subcommittees, of which we have many, dealing with the various commodities, to meet throughout the afternoon and tonight if need be, and through tomorrow. We are going to conference at 2:30 this afternoon with the representatives of the other body in an effort to compose differences.

I do not want to be optimistic enough to say that there is even a possibility of bringing in a conference report to the House before the recess. But I will say that each member of our committee has agreed to forego everything else, and has cancelled all other engagements and will remain here if necessary through the entire Easter recess in order to have a bill ready when we reconvene after the Easter recess.

Mr. ARENDS. Mr. Speaker, I am very pleased to have that information. Permit me to make another statement concerning something about which I express some fear. With respect to the conference committee on the part of the House, there is one category in which many of us are interested, namely, the basic commodity of corn. I am wondering if somehow there could be additional and pointed interest manifested in the corn problem when the conferees meet. As I read the Senate bill, and try to interpret some of the amendments to the bill that have been adopted, it seems to me that of all the commodities corn sticks out like a sore thumb, almost without any of the consideration to which it is entitled. Certainly those of us on both sides of the aisle who are not in any way partisan are interested in real consideration being given to what can be done to benefit corn as well as cotton, as well as wheat, as well as peanuts, and other commodities affected by amendments inserted in the other body. I should like to make this very sincere suggestion, following along the lines of the Hickenlooper amendment, that the basic acreage of corn be put up to 56 million acres. If that can be done I think a large part of our difficulties might be alleviated. The so-called Daniels amendment which is on the basis of the feed grain support at 95 percent of the basic price should be summarily rejected.

I appreciate that these matters are troublesome. It seems to me that the approach to the problem in the other body has been too much on the basis of sectionalism and to some extent, perhaps, on the basis of politics. That attitude or approach should not prevail in the conference between House and Senate conferees. I trust that the gentleman from North Carolina as well as the other conferees will give sincere consideration to what can be done to help the corn farmer.

Mr. COOLEY. Mr. Speaker, I should like to reply further, if the gentleman will yield further. As I have repeated this many, many times on the floor of this House, I have constantly tried to keep partisan politics out of our deliberations. I know that my beloved friend, the gentleman from Kansas [Mr. HOPKINS], the former distinguished chairman of this committee, has tried to do

the same thing. I can say further that there has been not even the slightest indication that politics will play any part in our deliberations with regard to this important matter. I will say further that I know of the gentleman's great interest in agriculture and of his intense efforts in behalf of the corn producers of America. At my suggestion, the subcommittee on corn, of our committee, will work through the afternoon. The gentleman from Iowa [Mr. HOEVEN] the gentleman from Illinois [Mr. SIMPSON], the gentleman from Indiana [Mr. HARVEY], and others who are likewise intensely interested in corn will be working through the afternoon, today and tomorrow. I am sure we will do our dead-level best to bring out a program acceptable to the gentleman and his constituents.

Mr. ARENDS. Mr. Speaker, I appreciate the statement made by the gentleman, especially with regard setting aside political considerations. I am convinced that agriculture, regardless of any political implications or possible consequences, imaginary or real, is entitled to the best consideration that Congress can give it. It is far above the question of whether you or I or anyone else comes back to the Congress. It is an economic question concerning the farmers today, and it should be so treated.

Mr. COOLEY. The gentleman is exactly correct.

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I think it is commendable that we are going to work on the bill quite promptly. The gentleman knows of my interest in sugar legislation and the bill that was passed last year. The Senate conferees were appointed in February. I think just a few days ago the conferees of the House were appointed. I hear from the grapevine that they had 1 or 2 meetings and they agreed to disagree. I am wondering what will happen to that, and if the agricultural bill might come to the same fate.

Mr. COOLEY. I know of the gentleman's great interest in the sugar legislation and of his interest generally in the welfare of agriculture. I think the gentleman has always been very friendly to the farmers of America.

We had a conference scheduled for today on sugar, but because of the great and general interest in it and the apparent urgency for overall farm legislation we did call off the sugar conference which was scheduled for today. We are going into conference on the overall farm bill, H. R. 12, and the very minute that we have an opportunity to confer on sugar we will. I doubt very much if it would be possible before immediately after the recess.

Mr. MILLER of Nebraska. Does the gentleman feel that the conferences on both the agricultural bill and the sugar legislation might be completed by the 1st or 2d of April? Is the gentleman that optimistic?

Mr. COOLEY. I am always optimistic, as the gentleman knows, but I would not say we could complete both these major tasks in that short time.

Mr. MILLER of Nebraska. Before the gentleman came into the Chamber there was some question about the program for this week. The resolution for the Easter recess is coming up tomorrow. I said I was going to resist, if possible by a rollcall, any adjournment or recess if there was in the foreseeable future any possibility that we might have an agricultural bill before us before we come back on April 9.

Mr. COOLEY. The gentleman knows, I am sure, that the sugar legislation does not expire until December of this year, so it actually is not as urgent as this program because if this program is going to do anything for the farmers of America this year we must act as promptly and as expeditiously as circumstances will permit. As soon as the general legislation is out of the way, I assure the gentleman, we will start promptly with the sugar conference.

Mr. MILLER of Nebraska. After the Easter recess it is possible we might have a bill before us, early in April?

Mr. COOLEY. I am intensely interested in these two programs, but I do not think I would be successful in resisting the wishes of the leadership of this House.

Mr. GROSS. Reserving the right to object, Mr. Speaker, does the gentleman say we cannot have a conference report before the House next week?

Mr. COOLEY. If the gentleman could see the analysis which has been prepared at my request by the people in the Department of Agriculture he will realize that it looks like a Sears, Roebuck catalog. That bill was actually written on the floor of the other body. It was not written in the normal fashion in the committee room.

Mr. GROSS. I understand that perfectly.

Mr. COOLEY. I am quite sure that even the Congressman from the corn-growing area have not had an opportunity to give the matter consideration, as they will this afternoon. It is the same in respect to wheat, cotton, and other commodities. I am not saying we will not have a conference report but I promise the gentleman that I will do everything within my power to agree upon a workable bill just as soon as possible.

Mr. GROSS. If you did have a conference report before the House next week, the House would not be in session to consider it. Time is of the essence out our way. I am sure the gentleman knows that.

Mr. COOLEY. I know that the State from which the gentleman comes is intensely interested in corn. I congratulate the gentleman on his great and vital and constant interest in the welfare of the corn producers and other farmers of the country. We are working with all the speed that we can possibly move. Our committee has not delayed this legislation 1 hour.

Mr. GROSS. I withdraw by reservation of objection, Mr. Speaker.

Mr. HOPE. Mr. Speaker, reserving the right to object and, of course, I shall not object, I desire to answer the gentleman from Nebraska and the gentleman

from Iowa who have expressed some apprehension that these matters may be delayed. I would like to say that a bill of this importance and a bill as intricate as this must receive a great deal of consideration in conference. You cannot get together in 2 or 3 days and work out the details of a bill such as the one we have before us. This is a very difficult bill. It has many complex provisions. It is one which the conferees will have to have some idea of how it is going to be interpreted by those who will administer it. We will do well if we take 10 days or 2 weeks on this bill rather than 2 or 3 days in trying to arrive at an agreement.

One more thing, Mr. Speaker, that I want to mention while I have the floor. There was an article in the Washington Post this morning relative to the non-appearance of the Secretary of Agriculture before the Committee on Agriculture tomorrow as had been contemplated. That article was so written that it implied, to the casual reader at least that I had been critical of the Secretary—which is certainly not the case. The distinguished chairman of our committee, the gentleman from North Carolina, yesterday asked me if I would have any objection to withdrawing the invitation to the Secretary to appear tomorrow so that we could proceed more rapidly with the conference. I told him I did not have any objection, but by that I certainly did not mean any criticism of the Secretary or to express any displeasure at having the Secretary appear before the committee. So far as I am concerned, I am always glad to have him appear before the committee. I think we know pretty well what the Secretary's position is, and I am sure it will expedite the consideration of this bill if we can use that day in working in conference instead of having the Secretary before the committee.

Mr. COOLEY. I am glad my friend, the gentleman from Kansas, mentioned that. I want to say to the House, and I am sure the gentleman will agree, that when I read that article this morning I called the matter to the attention of the committee and I discussed it at great length and explained to the committee why I had made the decision that I did make with regard to the Secretary's appearance. He had planned to come tomorrow. The Senators had been insisting that when we go into conference we remain in conference. So I asked the Secretary to send up to us his recommendations in writing and to send along with those recommendations a man of his own choosing and we could then review the Secretary's recommendations; I have indicated my willingness to have the Secretary's representative actually come in and sit with the conference committee. I did see in the paper that the Secretary had indicated that when he came before our committee tomorrow he would be able to carry on a little more missionary work. I think we have reached the time when it is a little late for missionary work on the part of Mr. Benson who has been extending his activities throughout the country. I do

not think we need any more missionary work. I think that the intelligent Members—and all of the Members on our committee are intelligent—know what the facts are. I am sure we will all apply ourselves diligently, constantly, and faithfully to the work before us. I did not insist upon the Secretary coming tomorrow for the reason that I thought, and my colleague, the gentleman from Kansas, agreed with me, that we could more profitably spend our time conferring in formal conference with the Members of the other body tomorrow.

Mr. ARENDS. Mr. Speaker, if the gentleman will yield, I might say that it is never too late to save a soul, if a soul is available—I do not know.

Mr. COOLEY. Well, all of our souls have already been saved.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I think the gentleman from Kansas [Mr. Hope] sets the proper tone. We must realize that the bill as it passed the Senate is an entirely different bill than the one that passed the House in the last session. There are at least 38 amendments which were adopted in the Senate, far-reaching amendments of tremendous import to our agricultural community and to the whole Nation, because our agricultural community is a very important part not only of our national economy, but also of the political—and I use the word "political" not in a party sense but in a national sense, and as part of the social setup of our country. One of the outstanding commentators, John Harriman, terms the bill as follows:

It is probably the worst constructed piece of legislation since mankind hatched its laws dressed in skins huddled around a cave fire.

We must also keep in mind that this far-reaching bill that passed the Senate is going to constitute new organic law for the agricultural community of our country, yet we in this body are not going to have an opportunity to offer an amendment to it, a very significant thing. We have got to rely more upon the good judgment of our conferees.

Everyone admits that the Senate bill is in such shape that no one knows what it constitutes. Everyone is dissatisfied with it.

The bill is going to be written in conference. The stability of the House conferees is something on which we have got to rely.

When a conference report has been written and the bill comes back to the House, this far-reaching bill, this body is not going to have an opportunity to debate it and consider it under the regular rules of the House where amendments could be offered; so we have got to keep that in mind.

I think the gentleman from Kansas properly approaches this matter from the angle not only of the best interests of the country: calm consideration, profound consideration, but also from the angle of the best interests of our agricultural community, because this bill is not going to have the effective consideration of the committee of the House and Members of the House; it is really going to emanate from the conference

committee; and it imposes upon the House conferees probably one of the greatest responsibilities that any conferees have had to assume.

Mr. COOLEY. I thank the gentleman from Massachusetts, and I do appreciate his observations, realizing that all the gentleman has said is accurate, that the Members of the House will not have an opportunity to vote upon these matters of such tremendous importance. That is the reason I called my committee together this morning—and we have a 37-man committee, including the 3 delegates—so as to give them an opportunity to express their views to us and to act in an advisory capacity.

It will be my purpose as chairman of the committee and chairman of the managers on the part of the House to keep in touch with the members of this great committee in an effort to bring out a bill that we can hope will not be vetoed.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, the gentleman said that the bill as it came back from the Senate was like a Sears-Roebuck catalog.

Mr. COOLEY. It is so large.

Mr. HOFFMAN of Michigan. There are a lot of good things in the Sears-Roebuck catalog, a lot of bargains. Are there any bargains in this bill?

Mr. COOLEY. Yes and no.

Mr. HOFFMAN of Michigan. The gentleman says "Yes" and "No." Which is it, "Yes" or "No?"

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GATHINGS, HOPE, and AUGUST H. ANDRESEN.

EXTEND TIME FOR REPORT ON CIVIC AUDITORIUM IN DISTRICT OF COLUMBIA

The SPEAKER. Now the gentleman from Michigan may speak on his amendment.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from North Carolina had considerable to say about the action of his committee and also about what was said by the Member from Michigan, your servant, last week. So that there may be no misunderstanding, I am not finding any particular fault with his committee. I have plenty to do if I attend to my own committee and to my own committee work.

What I was commenting on last week was the fact that in the Washington Post there was an article dealing with what the committee report showed, and if I am not correct I hope the gentleman will correct me. My understanding was that there had been brought before it this committee a report. The minority members found some fault with it and it was subsequently rewritten. Am I right?

Mr. BONNER. The gentleman is a very versatile Member of this House.

Mr. HOFFMAN of Michigan. Am I right about that?

Mr. BONNER. The gentleman speaks on all subjects.

Mr. HOFFMAN of Michigan. Never mind that. I asked the gentleman a question. If he wants to answer it, all right.

Mr. BONNER. Did you ever hear of a report brought before a committee that was not revised to some extent?

Mr. HOFFMAN of Michigan. Oh, yes; I have heard that. I have known several reports to be adopted as written. I am not critical. All I am asking is if there was a report brought before the committee and if it was subsequently rewritten?

Mr. BONNER. The report was slightly changed.

Mr. HOFFMAN of Michigan. All right.

Mr. BONNER. It was not rewritten.

Mr. HOFFMAN of Michigan. I thank the gentleman.

Mr. BONNER. Let me tell the gentleman something.

Mr. HOFFMAN of Michigan. The gentleman just used 10 minutes on this subject. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes?

The SPEAKER. When the gentleman's time has expired he may offer that unanimous-consent request.

Mr. HOFFMAN of Michigan. I withdraw it and I withdraw recognition of anyone else.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. No; I cannot if I cannot have 5 minutes additional.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Michigan be extended 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HOFFMAN of Michigan. If the gentleman from North Carolina will answer my question I will appreciate it. I do not want to yield so that he can go into another talk until I have spoken.

Mr. BONNER. Does the gentleman want me to answer it?

Mr. HOFFMAN of Michigan. This is my understanding: A report was written by the staff and was brought before the committee. Some minority members objected to some phases of it, and later it was revised. Is that correct?

Mr. BONNER. The report was revised. Let me go this far.

Mr. HOFFMAN of Michigan. I only have 8 minutes.

Mr. BONNER. The gentleman is a good fellow. Let me tell him this. If he will read the hearings and this report he will see that I tried to be as fair and impartial in this matter as I could.

Mr. HOFFMAN of Michigan. I am not questioning your fairness; I am not questioning your accuracy; just your reasoning.

Mr. BONNER. But sometimes gentlemen like the gentleman from Michigan would raise a question of politics, put a political issue in it.

Mr. HOFFMAN of Michigan. Somebody did?

Mr. BONNER. I offered to the minority the staff of the committee to write such report if they cared to write a minority report.

Mr. HOFFMAN of Michigan. The gentleman has some national committeemen on that staff. Our own committee had I am advised.

Mr. BONNER. No.

Mr. HOFFMAN of Michigan. I thought you did.

Mr. BONNER. The Republicans appointed a member of the staff, the Democrats appointed a member of the staff. The balance of the staff is a carryover from the last Congress.

Mr. HOFFMAN of Michigan. All right. I thank the gentleman.

What happened is this: My comments were based upon an article in the Washington Post which was written before your report came out, and a comparison of the report will show this, on the first report that came in from the committee staff.

Mr. BONNER. That is not correct.

Mr. HOFFMAN of Michigan. All right.

Mr. BONNER. That is not correct.

Mr. HOFFMAN of Michigan. All right. I accept the gentleman's statement. But this I know—when the Thursday morning's paper came out carrying Unna's story on the committee report, I called the committee and was advised, by the individual who answered for the committee, that the report was not available, that it had not been adopted.

Now, if I am in error, if I was wrongly advised, if I misunderstood, I stand corrected, but I will venture this statement—that the report as adopted did not carry the figures given in the newspaper report, which purported to carry the figures in what I am pleased to term the first report which came to the committee, and which the gentleman has now said was later revised.

The gentleman from North Carolina himself says, if I understood him correctly, that the figures carried in the newspaper story on the report were not correct.

Where did the reporter get them, if he did not get them from a document which was submitted to the committee?

The gentleman said himself the newspaper figures were not right, then he said mine were not right. I will tell you how the difference comes about. They took into consideration different tracts of land on which the leases were issued. Some used one group of lands, some used another. Nobody is accusing the chairman of anything though he seems to think a defense of something is required. Does the gentleman remember when he got housing for my boy when he was in the Army? That was a wonderful thing. I have not forgotten that kind act: I love the gentleman, but every once in a while they go off on a tangent, not the committee but the Washington Post. That is what I have been talking about over the years. That is what I was talk-

ing about last Thursday—see the Record, page 4781—that and the committee's apparent assumption that might formulate policy for the Department.

Mr. BONNER. If the gentleman is speaking about the Washington Post, I have nothing further to say.

Mr. HOFFMAN of Michigan. The Post had the figures all wrong, that is all. Some of the witnesses, and I hate to say this because it is a Republican administration, of the Department of the Interior did not know what they were talking about. One group was talking about one thing and another group about something else. The gentleman you referred to was in my office, but he was not there about that report. Do you know what he was there for? I will tell you. Another committee, one of the subcommittees of the Committee on Government Operations of which I am a member, had taken the Department of the Interior to task on its political witch hunt. I had the gentleman drop in when he was on the Hill to tell me about something—what was alleged to have occurred in the Department.

May I not have a little information once in a while even if the distinguished chairman of the Committee on Agriculture will not hear the Secretary of Agriculture? I think I may call on an underling, if you can call him that, for a little information just now and then—just once in a long, long time. And, if they are kind enough to come in when they are up here to see some of the majority Members, I do not see why they should not see me. That is all there was to that.

The gentleman from North Carolina is critical because last Thursday I suggested that none of the congressional committees had any authority to exact from any of the executive departments a promise as to what that department would or would not do in the future. Perhaps my point was not made clear.

Beyond question, the authority to follow the Federal dollar to ascertain whether it is wasted or efficiently spent, whether the Federal laws are adequate to implement congressional intentions, is vested in the committees of the House. There is no dispute about that. The point I was trying to make, the point I thought I made, the point I again call to the attention of the House, is this—that, if congressional committees as a group are to impose upon the executive departments, their agencies and administrators, the duties of first submitting to a congressional committee what the administrator, the agency, or the department intends to do with reference to a particular function, then surely we will be getting the cart before the horse.

Certainly the gentleman does not mean that a congressional committee is either charged with the duty or has the authority to outline a system of administrative acts to be performed by those in the executive departments. The gentleman argued that any other course than the exercise by a congressional committee of the right to insist that the executive departments and their agencies tell just what they intend to do would be but locking the stable door after the horse was stolen.

That illustration has some semblance of logic, but if an executive department or the administrator of such a department is at the mercy of congressional committees and cannot function until they have advised some committee as to just what action is contemplated and received its approval or disapproval, then surely Congressional committees might just as well attempt to take over the functions of the executive departments.

Certainly the Congress can enact legislation prohibiting the executive departments from doing this that, or the other, but a congressional committee has no power to legislate nor has it, in my judgment, any power to insist that any branch of the executive department first consult it before performing an administrative act.

No such authority is carried in the Reorganization Act cited by the gentleman, nor, so far as I know, in any other statute.

Sure, the Washington Post was wrong. It did not state the facts. Now, I am sorry if the gentleman is disgruntled or displeased. Of course, the majority Members approved of the report. They would approve anything that they could, conscientiously, and we may assume that the report, as revised, as the gentleman put it, was acceptable to the minority.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. How much time have I now? I only have 4 minutes. Yet, but make it brief please.

Mr. DINGELL. Did the gentleman read over the report or the hearings of the committee?

Mr. HOFFMAN of Michigan. No. Why should I?

Mr. DINGELL. I think the gentleman should read those things before he proceeds further.

Mr. HOFFMAN of Michigan. I was not talking about the report last Wednesday. I was quoting and talking about the newspaper story. And, I welcome your advice. It is good, and if I talk about the report, which I do not intend to do, I will read it. I have not the slightest doubt but what I would be a great deal better Member of the House if I just listened to some on your side, but my folks back home do not approve of all you say. They say, "Don't listen to those birds. They will lead you astray." I told you I was basing my remarks on the Washington Post article, and the gentleman says he has no great objection to a little criticism of the Post.

Now, as to the charge that there is politics in some committee investigations—far be it from me to make such a charge any more clearly than I have repeatedly, even since the Chudoff committee started out. But let me read from the Democratic National Committee's letter of March 16, 1956, a letter written to a Member of the other body:

I am fearful that our party and its nominees for President, Vice President, the Senate and the House next fall may be in a very weak position in the area of natural resources—

See, no politics—just the country's welfare—but now we are getting back to the Department of the Interior—

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of

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March 27, 1956
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HIGHLIGHTS: Conferees reached agreement on several provisions of farm bill. Senate agreed to conference report on bill to relieve farmers of excise tax on gasoline. House received conference report on bill to relieve farmers of excise tax on gasoline. House received conference report on Colorado River storage project bill. Rep. Johnson, Wis., alleged that this administration did not inherit dairy products surplus. Rep. Cooley and others suggested that conference report on farm bill would be ready after Easter recess. House received conference report on Treasury-Post Office appropriation bill for 1957. Rep. Harvey urged favorable consideration of measure for research in industrial use of agricultural products.

HOUSE

1. FARM PROGRAM. The "Daily Digest" states: "Conferees continued, in executive session, to resolve the differences between the Senate and House-passed versions of H. R. 12, Agricultural Act of 1956. Following today's session, it was announced that the conferees had agreed to (1) adopt 90 percent of parity for 1 year for basic crops, (2) adopt the dual-parity formula as passed by the Senate and require the Secretary of Agriculture to conduct a study of parity formulas, with submission of his recommendations thereon to the Congress not later than January 30, 1957, and (3) with regard to the proposed soil-bank program, strike from the bill limitations of \$100,000 as total price support to be received by any one person, \$25,000 as total amount to be received by any one person on acreage programs, and \$7,500 as total amount to be received by any one person on conservation reserves.

"In an afternoon session, the conferees agreed to strike out the provision in the bill passed by the Senate providing for change in the import quotas for extra-long staple cotton, and adopted revised language directing the sale for export at competitive world prices CCC stocks of such cotton." p. D297

Rep. Hoffman speculated on the possibility of consideration of H. R. 12, the farm bill, on Thurs. or Fri., Mar. 29 or 30. p. 5080

Rep. Cooley, Majority Leader, McCormack, and others expressed the opinion that because of the complicated nature of the farm bill, the conference report would not be ready until after the Easter recess. p. 5086

2. TAXATION. Received the conference report on H. R. 8780, to provide for the relief of farmers from the Federal excise tax on gasoline used on the farm (H. Rept. 1957). pp. 5075, 5098
3. RECLAMATION. Received the conference report on S. 500, to authorize the construction, operation, and maintenance of the Colorado River storage project (H. Rept. 1950) (pp. 5076, 5098). Unanimous consent was requested for the consideration of the conference report, but Rep. Hiestand objected (p. 5085).
4. APPROPRIATIONS. Received the conference report on H. R. 9064, the Treasury-Post Office appropriation bill for 1957 (H. Rept. 1956). pp. 5085, 5098
5. DAIRY PRODUCTS. Rep. Johnson, Wis., alleged that the so-called dairy products surplus was not inherited by this Administration, but rather that the surplus had increased under this Administration. p. 5079
6. ACCOUNTING. The Executive and Legislative Reorganization Subcommittee of the Government Operations Committee ordered reported with amendments to the full committee H. R. 9593, to simplify accounting and facilitate the payment of obligations. p. D296
7. FRUITS. The Interstate and Foreign Commerce Committee ordered reported with amendment H. R. 7732, to amend the Food, Drug, and Cosmetic Act regarding artificial coloring of oranges. p. D296
8. RESEARCH. Rep. Harvey and others urged favorable consideration of bills providing for research in the industrial uses of agricultural products. Rep. Harvey spoke specifically in favor of his bill, H. R. 10125. p. 5091
9. FORESTRY. The Interstate and Foreign Commerce Committee submitted an interim report, "Newsprint Study—Newsprint Outlook for 1956" (H. Rept. 1953). p. 5098
10. STOCKPILING. Both Houses received from ODM the report on the stockpiling program for July 1 to December 31, 1955. pp. 5014, 5098
11. ACREAGE ALLOTMENTS. Received from the S. C. Legislature memorials requesting legislation for cotton acreage allotments for the small farmers in S. C. p. 5099

SENATE

12. TAXES. Agreed to the conference report on H. R. 8780, to relieve farmers from excise taxes on gasoline and special fuels used on the farm for farming purposes. The report resolved a substantive difference between the two Houses on whether a custom operator who used gasoline for cultivating the soil and raising crops was entitled to the gasoline refund. The report provides that such refunds will be payable only to the farmer on whose farm the gasoline is used and not to the custom operator. p. 5071
13. APPROPRIATIONS. The Appropriations Committee concluded hearings on H. R. 10004 the second supplemental appropriation bill for 1956. p. D294

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
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HIGHLIGHTS: Conferees reached agreement on several provisions of farm bill. Conference was authorized to file conference report on farm bill during Easter recess. House agreed to conference report on bill to relieve farmers of excise tax on gasoline. Both Houses agreed to conference report on Colorado River storage bill. Both Houses agreed to conference report on Treasury-Post Office appropriation bill for 1957. Sen. Young inserted letter to Secretary defending dual-parity formula. Sen. Mundt urged Congress stay in session until farm bill is approved. Senate passed trip leasing bill. Rep. Hill inserted statement submitted by Secretary to House Agriculture Committee on farm bill.

SENATE

1. TRANSPORTATION. Passed with amendment S. 898, to amend the Interstate Commerce Act so as to exempt from ICC regulation certain trip leasing, on return from market, of trucks used to carry farm products to market. Agreed to the Committee amendments, which modify somewhat the coverage of the bill. Also agreed to an amendment by Sen. Magnuson to make more specific the definition of agricultural products to which the bill applies. pp. 5128, 5138, 5143
2. FARM PROGRAM. Sen. Young inserted a letter to the Secretary defending the dual-parity formula, and urging the Department to make an immediate study and report to the Congress on parity formulas. p. 5115
Sen. Mundt suggested that Congress abandon the Easter recess and remain in session until the farm bill is approved, and discussed this with several other Senators. p. 5115
3. PUBLIC LANDS. Received from the Interior Department a report relating to the withdrawals of public lands in certain cases; to Interior and Insular Affairs Committee. p. 5102

4. WATER. Received a Mass. Legislature resolution urging legislation to revise and extend the Water Pollution Control Act. p. 5102
5. FORESTRY. Sen. Morse spoke on the importance of forest access roads, and inserted several statements, including a Forest Service report, relative to this and other aspects of our natural resources. p. 5153
6. RECLAMATION. The Interior and Insular Affairs Subcommittee on Irrigation and Reclamation ordered reported without amendment H. R. 1603, to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects; and with amendment S. 497, authorizing construction, operation and maintenance of the Washoe reclamation project, Nev. and Calif.; S. 1622, authorizing the Secretary of Interior to make payment for certain improvements located on certain public lands in Rapid Valley unit, S. Dak., of the Missouri River Basin project; and S. 2206, providing for construction and operation of the Ainsworth unit of the Missouri River Basin project. p. D301
7. IRRIGATION. The Interior and Insular Affairs Subcommittee on Irrigation and Reclamation ordered reported without amendment H. R. 8535, specifying conditions for loans for the construction of irrigation distribution systems. p. D301
8. ADJOURNMENT. Agreed to adjourn for Easter beginning Thursday, March 29, to Monday, April 9, 1956. Also agreed that committees may submit reports to the Secretary of the Senate during the Easter adjournment. p. 5136

HOUSE

2. FARM PROGRAM. The "Daily Digest" states: "Conferees continued, in executive session, to resolve the differences between the Senate- and House-passed versions of H. R. 12, Agricultural Act of 1956. In morning and afternoon sessions, the conferees reached the following agreements:

"(1) House agreed to the Senate provisions on price supports on cottonseed and soybeans, (2) Senate receded from its amendment making average grade the standard grade of cotton for price-support purposes, (3) Senate receded from its amendment requiring that certification be made that producers receive the price support or a fair price, (4) conferees adopted a provision authorizing the President to negotiate with countries to regulate imports of agricultural commodities and manufactured products therefrom, (5) conferees adopted a provision that the Secretary of Agriculture shall take into account drought years (or natural disaster years) in determining average yield for making payments under the acreage-reserve program, (6) Senate receded from its provision for reestablishment of historic share of world cotton market, (7) House accepted Senate provision extending authority for surrender and reapportionment of wheat acreage allotments through 1957, (8) House accepted Senate provision providing for minimum national acreage allotment for cotton in 1957 and 1958, and (9) House accepted Senate provisions providing for additional national cotton acreage allotments for apportionment to small farms.

"The conferees continued their work in an evening session, and will meet again tomorrow." p. D304

Rep. Miller urged that the conferees on H. R. 12, the farm bill, eliminate the "political hodge-podge of contradictory provisions" in order that the bill will be acceptable to the President. p. 5166

Rep. Cooley received unanimous consent to file a conference report on H.R. 12, the farm bill, during the scheduled Easter recess. He further suggested that it would probably not be called up for consideration before Apr. 11. p. 5167

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OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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Cotton.....29	Ocean freight.....1	Transportation.....6
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HIGHLIGHTS: Conferees reached agreement on several provisions of farm bill. House committee reported bill to regulate orange coloring. House committee reported bill extending defense production act.

HOUSE

- FARM PROGRAM.** The "Daily Digest" states: "Conferees continued in executive session to resolve the differences between the Senate and House-passed versions of H. R. 12, Agricultural Act of 1956. Agreements reached today would (1) delete the section providing for survey of meat grading systems and (2) accept the Senate provisions for the two-price plan for wheat, with certain modifications.

"In an evening session on Wednesday, March 28, the conferees agreed (1) to strike from the bill section 602, price reporting of forest products, (2) to House provisions for appointment of a surplus disposal administrator, and (3) to Senate section providing for payment of ocean freight on commodities shipped abroad for needy peoples.

"The conferees continued consideration of this matter in an evening session and will meet again tomorrow." p. D310

Rep. Hyde stated that high rigid price supports would tend to encourage over planting and result in a deterioration of the land in some of the Western States now faced with dust storms. p. 5240
- DEFENSE PRODUCTION.** The Banking and Currency Committee reported with amendment H. R. 9852, to extend the Defense Production Act (H. Rept. 1983). p. 5254

3. ~~FRUIT. The Interstate and Foreign Commerce Committee reported with amendment H. R. 7732, providing for the regulation of certain color additives in oranges (H. Rept. 1982). p. 5254~~

4. ~~FOREIGN AFFAIRS. The Government Operations Committee issued a report, "U. S. Technical Assistance in Latin America" (H. Rept. 1985). p. 5254
Rep. Leader cited the importance of the technical assistance work in Latin America and discussed the benefits which might be derived from such a program. p. 5244.~~

5. ~~ADJOURNED until Mon., Apr. 9. p. 5253~~

SENATE

6. ~~TRANSPORTATION. Sen. Morse spoke on the serious effects of recurring shortages of boxcars, and criticized CCC policies prohibiting the shipment of grain in trucks. p. 5220~~

7. ~~FARM PROGRAM. Sen. Morse inserted a Wall Street Journal article claiming considerable discontent of Minnesota farmers with the present farm program. p. 5219~~

8. ~~FLOOD CONTROL. The Public Works Subcommittee on Flood Control and Rivers and Harbors concluded hearings on S. 3272, 3273, and 2853, bills authorizing construction of flood protection projects. p. D309~~

9. ~~COMMITTEE ASSIGNMENTS. Sen. Symington was excused from further service as a member of the Public Works Committee and assigned to the Agriculture and Forestry Committee. p. 5190~~

10. ~~TAXATION. Sen. Schoeppel reviewed the history of the Federal excise tax on the transportation of property, particularly the burdensome effect of the tax on the farmer. p. 5209~~

11. ~~FORESTRY. Sen. Teuberger spoke in opposition to S. 3444, providing for the establishment of Federal-State Land Study Commissions to undertake studies and investigations of land ownership and submit recommendations for the disposal of Federal lands. p. 5196~~

12. ~~WATER. Received a Mass. Legislature resolution urging legislation to revise and extend the Water Pollution Control Act. p. 5190~~

13. ~~ADJOURNED until Mon., April 9. p. 5238~~

ITEMS IN APPENDIX

14. ~~FARM PROGRAM. Rep.ickersham inserted a constituent's letter urging the adoption of 90% of parity price supports. p. A2766~~

~~Rep. Bow inserted a magazine article outlining a farm program including features of disaster loans, credit extension, research, surplus disposal, and tariff protection. p. A2766~~

15. ~~TECHNICAL. Rep. Cannon inserted his statement and correspondence from the Comptroller General relative to the expansion of TVA facilities through the use of TVA revenues. p. A2766~~

16. ~~POULTRY. Sen. Morse inserted the text of his statement urging Federal inspection of poultry. p. A2769~~

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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HIGHLIGHTS: House received conference report on farm bill. Both Houses received from this Department draft legislation to extend emergency loans to farmers and stockmen. Both Houses received from this Department draft legislation to amend CCC Charter Act regarding penalties for reconversion.

HOUSE

1. FARM PROGRAM. Received the conference report on H. R. 12, the farm bill (H. Rept. 1986). p. 5326 (See ~~Digest 56a~~ *Attached* for outline of provisions of the conference report.)

Rep. Cooley requested and received unanimous consent that debate on the conference report on the farm bill should be limited to two hours. Rep. Martin requested that the minority be given at least one-half the time for debate. p. 5353

Rep. Pfof urged favorable consideration of the conference report on the farm bill as a means of increasing farm income. p. 5324

2. WHEAT. Rep. Keating spoke in favor of his bill H. R. 9401, to exempt from acreage allotments and marketing quotas those farmers who raise wheat for seed and feed purposes on their own farm. p. 5323

Received from the New York Assembly a memorial urging legislation providing for the removal of certain Federal restrictions on the raising of crops for the feeding of livestock; to the Agriculture Committee. p. 5359

3. LANDS. Passed over, at the request of Rep. Aspinall, H. R. 6815, providing for the disposition of certain lands acquired under Title III of the Bankhead-Jones Farm Tenant Act. p. 5342
4. RECLAMATION. Passed without amendment H. R. 9132, to approve the Interior Department report on the Ainsworth Unit of the Missouri River Basin project. p. 5342
5. RECORDS. Passed over, at the request of Rep. Cunningham, S. 2364, to permit GSA to prescribe policies and principles (instead of merely developing standards, as provided in existing law) to be followed by Government departments and agencies in connection with records management, and to authorize GSA to direct and effect the transfer to the National Archives of any Federal records that have been in existence for over 50 years. p. 5343
6. ELECTRIFICATION. Rep. Metcalf charged that certain air defense facilities under construction were not according consideration to the bids for facilities offered by rural electric and telephone cooperatives. p. 5354
7. CIVIL RIGHTS. Received from the Attorney General draft legislation to establish a Commission on Civil Rights in the Executive department; to the Judiciary Committee. p. 5357.
8. BANKING AND CURRENCY. Both Houses received from the Federal Reserve System its annual report; to the Banking and Currency Committees. pp. 5259, 5357
9. CONTRACTS. Received from the Ariz. Legislature a memorial urging legislation extending the Bacon-Davis Act; to the Public Works Committee. p. 5359
10. LEGISLATIVE PROGRAM. The Majority Leader announced the following schedule: Tues., Apr. 10, the military construction bill, and Wed., Apr. 11, the conference on the farm bill. p. 5349

SENATE

11. LEGISLATIVE PROGRAM. Majority Leader Johnson announced that H.R. 12, the farm bill, will be taken up on Wed. if the House adopts the conference report by that time. p. 5259
12. FARM LOANS. Both Houses received from this Department proposed legislation to extend the availability of emergency credit to farmers and stockmen; to Senate Agriculture and Forestry Committee and House Agriculture Committee. pp. 5259, 5357
13. CCC. Both Houses received from this Department proposed legislation to amend the CCC Charter Act relating to conversion so as to make it apply to offenses committed during the time a CCC loan is held by a lending agency; to Senate Agriculture and Forestry Committee and House Banking and Currency Committee. pp. 5259, 5357
14. DISASTER LOANS. Both Houses received the report of the Small Business Administration for the period July 1 to Dec. 31, 1955. pp. 5259, 5357

OUTLINE OF CONFERENCE REPORT ON FARM BILL

(Prepared in the Office of the General Counsel)

TITLE I - PRICE SUPPORT

90% for Basic Commodities. (Sec. 101) Provides price support at 90% of parity for basics for 1956.

Cottonseed and Soybeans. (Sec. 102) Respective support levels must be such as will cause them to compete on equal terms on the market.

Dairy Products. (Sec. 103) Provides support at from 80% to 90% of parity. For marketing year ending March 31, 1957, support price of manufacturing milk not less than \$3.25 per cwt. and butterfat not less than 58.6¢.

Parity Formula. (Sec. 104) Provides for dual parity for basics.

Effective Date. (Sec. 105) Title I is effective with the 1956 crop.

TITLE II - SOIL BANK ACT

Acreage Reserve Program. (Secs. 203-206) Duration of program: 1956, 1957, 1958, and 1959. Payments authorized for reducing production of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains (grain sorghums, oats, barley, rye, and corn outside commercial area). Program is voluntary, except participation in soil bank required for price support for corn and feed grains. To be eligible producer must reduce below his farm acreage allotment or base acreage established for corn and feed grains. In case of corn the total base will be 51,000,000 acres for 1956, and also for subsequent years if farmers in referendum vote to discontinue acreage allotments and 75% to 90% price support; otherwise, acreage allotments after 1957 will be established on old basis. In case of feed grains base will be average planted in 1953, 1954, and 1955. Producers allowed to participate in 1956 program, even though 1956 crop already planted, or planting prevented because of adverse weather. Overall limit on program \$750,000,000 per year, with specified maximum limits for each commodity. No limit on amount of payment to individual producers.

Conservation Reserve Program. (Secs. 207-213) Secretary is authorized to enter into contracts with producers for a minimum period of 3 years and a maximum period of 10 years (15 years in the case of tree cover) under which the producer would devote a designated part of his cropland to conserving uses. He would agree not to harvest any crop from the designated acreage and not to pasture it for a specified period except under certain emergency conditions. The Secretary would be authorized to pay a fair share of the costs of establishing the conservation use and, in addition, to make an annual payment to the producer which will provide a fair and reasonable annual return for the land diverted to conservation uses. Overall limit on program of \$450,000,000 per year. No limit on amount of payment to individual producers.

General Provisions. (Secs. 215-227) As a condition of eligibility for any payment under soil bank program, the producer must comply with all acreage allotments or base acreages, except feed grain base acreage for 1956. Civil penalties imposed for violation of prohibition against cropping or grazing. Funds of CCC may be used for carrying out program until July 1, 1957.

TITLE III - SURPLUS DISPOSAL

Program of Orderly Liquidation. (Sec. 301) Secretary required to submit to Congress in 90 days detailed program (1) for disposal of all CCC stocks (2) for a

food stamp or similar plan, and (3) for strategic stockpiling of agricultural products.

Extra Long Staple Cotton. (Sec. 302) Cotton having staple length of 1-11/16" or longer would be included within import quota under Section 22. CCC directed to sell for export at competitive world prices CCC stocks extra length staple cotton.

Agreements Limiting Imports. (Sec. 303) President authorized to negotiate agreements with foreign Governments limiting exports to U. S. of agricultural commodities or products.

Section 32. (Sec. 304) Authorizes annual appropriation of \$500 million for Section 32, with limitation of 50% on amount of such funds which may be used for any one commodity.

Transfer of Bartered Materials to Supplemental Stockpile. (Sec. 305) Provides for transfer to supplemental stockpile established by P. L. 480 of materials acquired by CCC under barter program unless such materials were acquired for regular stockpile or other purposes.

Surplus Disposal Administrator. (Sec. 306) Authorizes Secretary to appoint Agricultural Surplus Disposal Administrator.

Ocean Freight on Commodities Donated for Foreign Relief. (Sec. 307) Authorizes payment of ocean freight charges on commodities donated for foreign relief under P. L. 480 or Section 416. Limitation on expenditures for foreign relief increased from \$300 million to \$500 million.

Commission on Industrial Use of Agricultural Commodities. (Sec. 308) 5-member bi-partisan commission, to be appointed by President, established to make recommendations for increased industrial use of agricultural commodities.

Donations to Penal Institutions. (Sec. 309) Authorizes CCC to donate commodities to Federal penal and correctional institutions, and to State correctional institutions for minors.

Federal Irrigation, Drainage, and Flood Control Projects. (Sec. 310) Federal farm benefits restricted for 3 years for crops in surplus supply grown on such lands.

Processing of Donated Commodities. (Sec. 311) Authorizes CCC to pay processing costs on donated commodities.

TITLE IV- MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment. (Sec. 401) Extends to 1956 and 1957 crops of wheat provisions whereby wheat producers could release unused portion of allotment, without affecting their future allotment.

Cotton Acreage allotments for 1957 and 1958. (Sec. 402) National acreage allotment for cotton for 1957 and 1958 shall not be less than 1956 national acreage allotment.

Small Farm Allotments for Cotton. (Sec. 403) For 1957 and 1958 provides 100,000 acres to establish minimum farm allotments for cotton of 4 acres or highest acreage planted on farm in preceding 3 years, whichever is smaller. For 1956 unused allotted acreage in State may be used for such purpose.

Minimum Allotments for 1956 Rice Crop. (Sec. 404) Provides minimum State rice acreage allotments for 1956 equal to 85% of allotment for 1955.

Increase in Peanut Marketing Penalties. (Sec. 405) Increases marketing penalty for peanuts from 50% to 75% of support price.

Collection of Peanut Marketing Penalties. (Sec. 406) Provides for 6% interest on peanut marketing penalties and for a lien to secure the penalties.

Preservation of Unused Acreage Allotments. (Sec. 407) During the period 1956 to 1959 permits producer to preserve for future years his unused acreage allotments.

Price Support and Eligibility Requirements for Corn and Other Feed Grains. (Sec. 408) As a condition of eligibility for price support on corn for 1956, producer required (1) to put acreage in soil bank equal to 15% of base acreage and (2) not to exceed base acreage. Referendum would be held to determine whether after 1956 acreage allotments for corn shall be discontinued and price support made available at such level as Secretary determines will assist producers in marketing corn in normal channels without encouraging uneconomic production.

For duration acreage reserve program, corn outside commercial area to be supported at 85% of level in commercial area and grain sorghums, barley, rye, and oats to be supported at 5% of parity less than corn in commercial area. As a condition of eligibility for price support on feed grains (includes corn outside commercial area) producer required (1) to put acreage in soil bank equal to 15% of feed grain base acreage and (2) not exceed 85% of feed grain base acreage. Producers who do not meet additional requirements of eligibility would be entitled to level of support otherwise applicable.

TITLE V - PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

Domestic Parity Plan for Wheat. (Sec. 501) Provides for domestic parity plan for wheat. Would go into effect upon approval by 2/3 vote in referendum.

Certificate Plan for Rice. (Sec. 501) Provides for two-price plan for rice for 1956 and 1957 crops.

TITLE VI - FORESTRY PROVISIONS

Assistance to States. (Sec. 601) Provides for assistance to States for tree planting and reforestation.

AGRICULTURAL ACT OF 1956

APRIL 6, 1956.—Ordered to be printed

Mr. COOLEY, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 12]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That this Act may be cited as the "Agricultural Act of 1956"*.

TITLE I—PRICE SUPPORT

PRICE SUPPORT LEVELS ON BASIC COMMODITIES

SEC. 101. Section 101 (d) (6) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"(6) Except as provided in section 402, the level of support to co-operators shall be 90 per centum of the parity price for the 1956 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas."

PRICE SUPPORTS—COTTONSEED AND SOYBEANS

SEC. 102. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such

level as the Secretary determines will cause them to compete on equal terms on the market."

PRICE SUPPORTS—MANUFACTURING MILK

SEC. 103. The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: "The price of whole milk and butterfat, respectively, shall be supported at a level not in excess of 90 per centum nor less than 80 per centum of the parity price therefor: Provided, That for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and the price of butterfat shall be supported at not less than \$3.25 per hundred-weight and 58.6 cents per pound, respectively."

PARITY FORMULA

SEC. 104. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: ", as of any date during the six-year period beginning January 1, 1950,". The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

EFFECTIVE DATE

SEC. 105. This title shall take effect with the 1956 crops.

TITLE II—SOIL BANK ACT

SHORT TITLE

SEC. 201. This title may be cited as the "Soil Bank Act".

DECLARATION OF POLICY

SEC. 202. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wild-

life resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farm land for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

SUBTITLE A—ACREAGE RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 203. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable, within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program

authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of fifty-one million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the five calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: Provided, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 408 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve pro-

gram will be in effect for corn, there is hereby established a total base acreage for feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the three years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 per centum thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed grains (planted and diverted) in such counties for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: Provided, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the three years immediately preceding the year for which the apportionment is made (such farms are hereinafter called "new feed grain farms"). Producers shall not be eligible for compensation under the acreage reserve program for feed grains, on new feed grain farms. For purposes of this subsection, section 214, and section 408 (d) the terms "plant" or "planted", as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

EXTENT OF PARTICIPATION IN PROGRAM

SEC. 204. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 203 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

COMPENSATION OF PRODUCERS

SEC. 205. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with

regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): Provided, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: And provided further, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than one year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed \$750,000,000, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, \$375,000,000; cotton, \$300,000,000; corn in the commercial corn-producing area, \$300,000,000; other feed grains, \$175,000,000; peanuts, \$7,000,000; rice, \$23,000,000; and tobacco, \$45,000,000. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 204.

EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

SEC. 206. (a) In the future establishment of State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage

amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

SUBTITLE B—CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 207. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 203 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within thirty days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such thirty-day period, the determination of the State committee made in accordance with regulations of the Secretary, shall be final and conclusive. If the producer within such thirty-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceeding, shall submit a report including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located,

within ninety days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial *de novo* to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination, within the ninety-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms "county committee" and "State committee" as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

CONSERVATION RESERVE GOAL

SEC. 208. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carry-over. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop production regions of the country.

AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

SEC. 209. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the five-year period 1956-1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) *The period covered by any contract shall not exceed ten years, except that contracts for the establishment of tree cover may extend for fifteen years.*

(c) *In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of \$450,000,000 in any calendar year.*

TERMINATION AND MODIFICATION OF CONTRACTS

SEC. 210. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) *The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.*

CONSERVATION MATERIALS AND SERVICES

SEC. 211. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) *Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.*

EFFECT ON OTHER PROGRAMS

SEC. 212. Notwithstanding any other provision of law—

(1) *insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and*

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

GEOGRAPHICAL APPLICABILITY

SEC. 213. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

SEC. 214. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or fifteen acres, whichever is larger.

REAPPORTIONMENT PROHIBITED

SEC. 215. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

CERTIFICATE OF CLAIMANT

SEC. 216. Subject to the provisions of section 205 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

UTILIZATION OF LOCAL AND STATE COMMITTEES

SEC. 217. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

UTILIZATION OF OTHER AGENCIES

SEC. 218. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

UTILIZATION OF LAND USE CAPABILITY DATA

SEC. 219. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

FINANCING

SEC. 220. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: Provided, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

■ (b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

FINALITY OF DETERMINATIONS

SEC. 221. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

PROTECTION OF TENANTS AND SHARECROPPERS

SEC. 222. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

PENALTY FOR GRAZING OR HARVESTING

SEC. 223. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 203 or 207 shall be subject to a civil penalty equal to 50 per centum of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

REGULATIONS

SEC. 224. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

SEC. 225. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price supported crops in surplus supply.

POOLING OF CONSERVATION RESERVE LAND

SEC. 226. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE III—SURPLUS DISPOSAL

PROGRAM OF ORDERLY LIQUIDATION

SEC. 301. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit to Congress within ninety days after the enactment of this Act detailed programs, with recommendations for any additional legislation needed to carry out such programs, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

- (1) the quantities of surplus commodities on hand;
- (2) the methods of disposition utilized and the quantities disposed of during the preceding twelve months;
- (3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;
- (4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and
- (5) recommendations for additional legislation necessary to accomplish the purposes of this section.

EXTRA-LONG STAPLE COTTON

SEC. 302. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the

date of enactment of this Act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

AGREEMENTS LIMITING IMPORTS

SEC. 303. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933), as amended.

APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

SEC. 304. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such \$500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL STOCKPILE

SEC. 305. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98-98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

SURPLUS DISPOSAL ADMINISTRATOR

SEC. 306. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding \$15,000 per annum, whose duties shall include such respon-

sibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

USE OF VOLUNTARY AGENCIES AND SHIPPING SUBSIDY FOR MERCHANT MARINE

SEC. 307. That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(a) The first sentence of section 103 (a) is amended by striking out the word "and" following the words "handling costs," and by inserting immediately before the period the following: "and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended".

(b) Section 201 is amended by striking out "f. o. b. vessels in United States ports,".

(c) The first sentence of section 203 is amended to read as follows: "Not more than \$500,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title." Section 203 is further amended by adding at the end of the section the following: "Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President."

COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

SEC. 308. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of five members, of whom not more than three shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any

personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434 or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

SEC. 309. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL PROJECTS

SEC. 310. (a) For a period of three years from the date of enactment of this Act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this Act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of three years from the date of enactment of this Act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this Act and under price support legislation.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

PROCESSING OF DONATED FOOD COMMODITIES

SEC. 311. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

EXTENSION OF SURRENDER AND REAPPORTIONMENT PROVISIONS FOR WHEAT ACREAGE ALLOTMENTS

SEC. 401. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957".

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

SEC. 402. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

COTTON—SMALL FARM ALLOTMENTS

SEC. 403. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period."

(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: Provided, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: Provided further, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE CROP

SEC. 404. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

INCREASE IN PEANUT MARKETING PENALTIES

SEC. 405. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 per centum of the support price for peanuts for the marketing year (August 1-July 31)."

COLLECTION OF PEANUT MARKETING PENALTIES

SEC. 406. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States."

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 407. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

"SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage allotments are in effect for any commodity under this Act, the acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN AND OTHER FEED GRAINS

SEC. 408. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the

producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 per centum of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 per centum of the farm base acreage established for such feed grains under section 203 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 per centum of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn produced in the commercial corn-producing area. Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 per centum of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, MARKETING QUOTAS, AND MARKETING CERTIFICATES"; (2) by changing the designation of subtitle D thereof to read as follows: "SUBTITLE F—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS"; and (3) by inserting after subtitle C new subtitles D and E, as follows:

"SUBTITLE D—DOMESTIC PARITY PLAN FOR WHEAT

"LEGISLATIVE FINDINGS

"SEC. 379a. Wheat, in addition to being a basic food, is one of the great export crops of American agricultural and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced and consumed within the confines of any State is normally commingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of intrastate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

"DOMESTIC FOOD QUOTA

"SEC. 379b. Not later than May 15 of each calendar year the Secretary shall determine and proclaim the domestic food quota for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

"APPORTIONMENT OF DOMESTIC FOOD QUOTA

"SEC. 379c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of total production of wheat in each State during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and

conservation programs, for abnormal weather conditions and for trends in production during such period. The reserve quota set aside herein for apportionment by the Secretary shall be used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat during the five calendar years immediately preceding the calendar year in which the quota is proclaimed.

"(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 per centum thereof for apportionment as provided in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period.

"(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the three calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of past acreage of wheat, the normal yield, crop rotation practices, type of soil, and topography. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of past acreage, if any, planted to wheat and the normal yield for such farm or the average of the county, tillable acres, crop-rotation practices, type of soil, and topography.

"MARKETING CERTIFICATES

"SEC. 379d. (a) Beginning with the first crop of wheat for which a marketing certificate program is placed in effect under section 379j, the Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the county domestic food quota. Such certificates shall be issued to cooperators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 379c of this Act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates to processors and importers in such quantities as are required by them in order to meet the requirements of subsections (a) and (b) of section 379e. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

"(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 379b of this Act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price, (2) the estimated farm price for wheat, and (3) the value per bushel of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of each marketing

certificate shall be computed to the nearest cent by multiplying the value per bushel by the number of bushels thereof. Except as otherwise provided herein, the value of the certificate so determined shall remain constant and shall remain in effect throughout the marketing year for which it is issued. The proclamation required by this subsection shall be made during the month of May immediately preceding the marketing year for which such domestic food quota is proclaimed.

“(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

“MARKETING RESTRICTIONS

“SEC. 379e. (a) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed, and except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person. The quantity of such marketing certificates acquired shall be equivalent to the number of bushels of wheat processed into food products.

“(b) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed and except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person.

“(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: Provided, however, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

“(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food

product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

“(e) As used in this section, (1) the term ‘marketing’ means the sale and the delivery of the food product composed wholly or partly of wheat, and (2) the term ‘food’ means human food.

“CONVERSION FACTORS

“SEC. 379f. The Secretary shall ascertain and establish conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

“CIVIL PENALTIES

“SEC. 379g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 379e of this Act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

“ADJUSTMENTS IN DOMESTIC FOOD QUOTAS

“SEC. 379h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic food quota for wheat is increased under this section, each farm quota for wheat shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 379d of this Act. In case any domestic food quota for wheat is suspended under this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 379d of this Act.

“REPORTS AND RECORDS

“SEC. 379i. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except wheat producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

“(b) The provisions of section 373 (b) of the Act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

"REFERENDUM

"SEC. 379j. In any referendum held pursuant to section 336 of this Act on the national marketing quota proclaimed for any crop of wheat, the Secretary shall also submit on separate ballots the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program, the Secretary shall, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for that crop and subsequent wheat crops under the provisions of this subtitle, in which event marketing quotas and acreage allotments and the provisions of title III of this Act relating thereto, except as otherwise provided in this section, shall not thereafter be in effect for wheat: Provided, That, whenever a marketing certificate program is in effect, the wheat marketing quota provisions and penalties shall remain in effect with respect to prior crops of wheat in the same manner as if marketing quotas were in effect for the current crop of wheat, and the Secretary may, by regulation, prescribe the method for collecting penalties on any such wheat.

"PRICE SUPPORT

"SEC. 379k. Notwithstanding any other provision of law—

"(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

"(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement approved by the Congress or ratified by the Senate relating to wheat to which the United States is a party, (4) foreign trade policies of friendly wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

"(c) Compliance by the producer with acreage allotments may be prescribed and required by the Secretary as a condition of eligibility for price support and for the receipt of wheat marketing certificates. Acreage allotments shall be established in accordance with the provisions of subtitle B, part III of this Act.

"(d) Notwithstanding any other provision of law, no producer of wheat shall receive certificates for a number of bushels in excess of the number obtained by multiplying the acreage actually planted to wheat by the normal yield.

"(e) Any farmer who is dissatisfied with his farm acreage allotment may have such acreage allotment reviewed in accordance with the procedures prescribed by sections 363 to 368, inclusive, for reviewing marketing quotas.

*"SUBTITLE E—RICE CERTIFICATES**"LEGISLATIVE FINDINGS*

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this Act.

"EFFECTIVE DATE AND TERMINATION

"SEC. 380b. The provisions of this subtitle, unless extended by law, shall apply only to the crops of rice harvested prior to 1958, and sections 380c through 380g (c) shall not be applicable to rice harvested before 1956. Notwithstanding any other provision of law, the national acreage allotment of rice for 1957 shall be not less than the national acreage allotment for 1956, including any acreage allotted under section 353 (c) (5) of this Act, and such 1957 national allotment shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.

"RICE PRIMARY MARKET QUOTA

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year, except that for the marketing year beginning in 1956 such determination and proclamation shall be made not later than thirty days after the enactment of the Agricultural Act of 1956. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"APPORTIONMENT OF PRIMARY MARKET QUOTA

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year. Notwithstanding the foregoing provisions of this subsection, the primary market quota for rice shall be apportioned by the Secretary among the several States for the marketing year beginning in 1956 on the basis of the 1955 production of rice in each State.

“(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

“REVIEW OF PRIMARY MARKET QUOTA

“SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

“PRICE SUPPORT

“SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on the 1956 crop of rice at not less than 55 per centum or more than 90 per centum of the parity price of rice as of the beginning of the marketing year and on the 1957 and subsequent crops of rice at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

“(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of the 1956 and 1957 crops, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

“CERTIFICATES

“SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

“(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

“(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

“(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

“(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

“INVENTORY ADJUSTMENT PAYMENTS

“SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of July 31, 1956, in amounts equal to the amount by which 80 per centum of the parity price of rice as of August 1, 1955, exceeds the support price for the 1956 crop of rice, multiplied by the quantities of such rough rice: Provided, however, That such payments shall not be made with respect to rice of the 1956 crop, imported rice, or rice acquired from Commodity Credit Corporation. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

“RICE SET-ASIDE

“SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the 1956 marketing year, not exceeding twenty million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

“EXEMPTIONS

“SEC. 380j. The provisions of this subtitle shall not apply to non-irrigated rice produced on any farm on which the acreage planted to non-irrigated rice does not exceed three acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

“PROCESSING RESTRICTIONS

“SEC. 380k. (a) Each person who on or after August 1, 1956, engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

“(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

“(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

“IMPORT RESTRICTIONS

“SEC. 380l. Each person who, on or after August 1, 1956, imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

“REGULATIONS

“SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

“CIVIL PENALTIES

“SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

“REPORTS AND RECORDS

“SEC. 380o. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

“(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

“DEFINITIONS

“SEC. 380p. For the purposes of this subtitle—

“(a) ‘cooperator’ shall have the same meaning as under the Agricultural Act of 1949, as amended.

“(b) ‘processing of rough rice’ means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

“(c) ‘processed rice’ means any rice from which the husk or hull has been removed and includes, but is not limited to—

“(1) whole grain rice,

“(2) second head milled rice,

“(3) screenings milled rice,

“(4) brewers milled rice,

“(5) undermilled rice or unpolished rice,

“(6) brown rice,

“(7) converted rice, malekized rice or parboiled rice, and

“(8) vitaminized rice or enriched rice.

“(d) ‘United States’ means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

“(e) ‘exporter’ means the consignor named in the bill of lading under which the processed rice is exported: Provided, however, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

“(f) ‘rough rice equivalent’ means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

“(g) ‘import’ means to enter, or withdraw from warehouse, for consumption.”

NORMAL YIELD FOR RICE

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

“(D) ‘Normal yield’ for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

“(E) ‘Normal yield’ for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

“(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such five-year period is less than 75 per centum of the average, 75 per centum of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such five-year period is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre.”

TITLE VI—FORESTRY PROVISIONS

ASSISTANCE TO STATES FOR TREE PLANTING AND REFORESTATION

SEC. 601. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than fifty million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy

of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: Provided, That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
MILTON R. YOUNG,

Managers on the Part of the Senate.

STATEMENT OF MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

H. R. 12 passed the House on May 5, 1955. It consisted of 4 sections: (1) Establishing price supports for basic commodities at 90 percent of parity for the years 1955, 1956, and 1957; (2) establishing the support level for milk at 80 to 90 percent of parity; and (3) and (4) extending and providing additional funds for the special school milk program and the brucellosis eradication program. The Senate struck out all after the enacting clause of the House bill and inserted an amendment consisting of 62 sections comprising some 77 printed pages. The task facing the conferees of reconciling the differences between these two measures has been substantial, particularly since some of the more complicated provisions of the Senate amendment were adopted on the floor without the opportunity for testimony and explanation which takes place in the process of committee consideration.

The committee of conference has reworked the Senate amendment section by section and the bill reported herewith is the Senate amendment with numerous changes and amendments agreed upon by the conferees. The major provisions are: (1) price-support provisions for basic commodities, cottonseed and soybeans, milk, and feed grains; (2) restoration of "dual parity" for basic commodities; (3) authority for a "soil bank" program; (4) various provisions to assist in disposal of surplus commodities including authority to donate such commodities to Federal penal institutions and State penal institutions for minors, substantial additional appropriations to supplement "Section 32" operations, and a directive to the Secretary of Agriculture to study and report promptly to Congress on other disposal programs, including a food stamp plan; (5) various provisions relating to acreage allotments and marketing quotas for commodities, chiefly designed to assist the small farm operator; (6) a domestic parity program for wheat and a "two-price" program for rice; and (7) authority for further assistance to States in forestry programs. Following is an explanation of the major provisions of the bill as reported herewith to the House.

SECTION 101. PRICE SUPPORT LEVELS ON BASIC COMMODITIES

Establishes the support level for basic commodities at 90 percent of parity for the 1956 crop. The House bill provided support at 90 percent for 3 years. The Senate rejected the 90 percent support provisions but later significantly modified its action by adopting other provisions, including substantial additions to the "set-aside," which

would have had the effect of requiring the Secretary to establish support prices close to the 90 percent level. Under the provisions of the Senate bill it was estimated that the Secretary would have been required to support the basic commodities at the following levels for 1956; tobacco 90 percent, wheat 85 percent, cotton 88 percent, corn 84 percent, rice 90 percent on domestic consumption and not less than 55 percent on the balance, and peanuts 90 percent.

The committee of conference was agreed that falling farm prices, coupled with rising production costs, have created a crisis in farm income that may well become a catastrophe unless strong and effective action is taken to bolster farm income in 1956. Rather than adopt any of the devious devices which have been proposed for raising the level of support prices by indirection (including the set-aside which has been so strongly condemned by the Secretary of Agriculture), the committee of conference agreed that the most effective way of accomplishing this purpose is the simple and straightforward procedure adopted in the conference report of establishing price support levels for the basic commodities at not less than 90 percent of parity for 1956.

SECTION 102. PRICE SUPPORTS—COTTONSEED AND SOYBEANS

Requires that when the price of either cottonseed or soybeans is supported the price of the other of these closely related crops shall be supported at a comparable level.

SECTION 103. PRICE SUPPORTS—MANUFACTURING MILK

Establishes the support level for milk at 80 to 90 percent of parity (instead of 75 to 90 percent as provided in existing law) and further provides that for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and price of butterfat shall be supported at not less than \$3.25 per hundredweight and 58.6 cents per pound, respectively. This provision replaces a complicated formula for establishing the parity equivalent for manufacturing milk which had been placed in the Senate amendment.

The price of \$3.25 per hundredweight for milk for manufacturing (3.95 percent butterfat) is 85 percent of the February 15, 1956, parity equivalent for milk for manufacturing. This is 10 cents per hundredweight higher than the \$3.15 support price announced by the Secretary of Agriculture on February 14, 1956. The \$3.15 support price is 82 percent of the February 15, 1956, parity equivalent for milk for manufacturing.

To accomplish this 10 cent per hundredweight increase in the price of milk for manufacturing by increasing the purchase price of butter would require an increase of 2 cents per pound in the price of butter, which is equivalent to 2.4 cents per pound in the price of butterfat. Adding this 2.4 cents to the 56.2 cents announced support price for butterfat in cream would result in a support price of 58.6 cents per pound. This would be 82 percent of the parity price of butterfat in cream as compared with the February 14, 1956, announced level of 78 percent.

Although the committee amendment omits from the first sentence of section 201 (c) the words "and the products of such commodities", it does not change the present method of supporting milk and butter-

fat prices through "loans on, or purchases of, milk and the products of milk and butterfat" as provided in the second sentence of the subsection.

SECTION 104. PARITY FORMULA

Provides that the dual method of computing parity for the basic commodities (using both the old and the new parity formula) which has been in effect for the basics from 1949 until this year, is to be used henceforth. The section also recognizes the possibility of shortcomings in both of our existing methods of computing parity and directs the Secretary to make a thorough study of this subject and report thereon to Congress not later than January 31, 1957, with specific recommendations, including drafts of any necessary legislation, for the improvement of our parity system.

SECTION 105. EFFECTIVE DATE

Makes all the foregoing provisions effective with 1956 crops.

TITLE II—SOIL BANK ACT (SECS. 201-227)

Title II comprises the Soil Bank Act. The provisions in the committee report are only slightly modified from those adopted by the Senate which are described in some detail in the committee report on S. 3183 (S. Rept. 1484) on pages 8 to 20. The provisions adopted by the Senate were, in turn, based upon and only slightly modified from the recommendations made by the Secretary of Agriculture.

The soil-bank program authorized in title II consists of two parts: The acreage-reserve program (secs. 203 to 206) and the conservation reserve program (secs. 207 to 214). Sections 215 to 227 are general provisions applying to either or both the conservation reserve and the acreage-reserve programs.

SECTIONS 203-206. ACREAGE-RESERVE PROGRAM

The acreage-reserve program is not a soil-conservation measure but a short-term program designed to curtail production of specific commodities even below the anticipated production from allotment programs. It is authorized only for the 4 crop years 1956-59. It applies only to specified commodities: wheat, cotton, corn, peanuts, rice, most kinds of tobacco, and the feed grains (oats, rye, barley, grain sorghums, and corn grown in noncommercial corn areas).

The objective of the acreage-reserve program is to induce farmers to reduce their acreages below their allotments or base acreages and to make no other use of the land so retired. The farmer who thus curtails his production will be paid an amount roughly equivalent to his anticipated return from the land had he put it to its intended purpose.

A special provision inserted in the bill by the committee will make it possible for the farmer to participate in the 1956 program even though he may already have planted his 1956 crops or may have been prevented from planting his normal crops because of adverse weather conditions. This latter provision was inserted in order to care for the condition which now exists in a vast area, particularly in the Southwest, where drought has prevented normal planting operations, and

it is intended that the farmer who has not been able to plant and has not, therefore, planted will, nonetheless, be allowed to participate in the acreage reserve for 1956.

In general, the rate of payment will be approximately 50 percent of the price support for that quantity of the commodity which would normally be produced on the land placed into the acreage reserve. The specific rate of payment will, of course, vary from commodity to commodity and in different areas, but will be required to be in such amounts as will make the program attractive to farmers. Payment will be made in negotiable certificates redeemable in cash by the Commodity Credit Corporation or, in the case of grains, redeemable in grain at the option of the producer.

The committee provided that in case of unusual weather conditions resulting from either drought, flood, hail, wind, or other natural causes, the Secretary should make adjustments in calculating the normal yield for each farm. The committee was informed by representatives of the Department that the practice would be to eliminate the record of years of abnormally low production in calculating the normal yield for the farm for soil bank payment purposes, as well as in the calculation of acreage history of the farm for the determination of acreage allotment or farm base acreage.

The total amount which may be expended on the acreage-reserve program in any one year is \$750,000,000. To assure a fair division of funds between the various commodities, the committee has also established maximums for the separate crops: Wheat, \$375,000,000; corn, \$300,000,000; cotton, \$300,000,000; tobacco, \$45,000,000; rice, \$23,000,000; peanuts, \$7,000,000; and feed grains, \$175,000,000. The individual commodity limitations add up to more than the overall limit of \$750,000,000 in order to permit adjustment of commodity programs to meet operating conditions but to not have the effect of increasing the overall limitation of \$750,000,000. The conferees struck out of the Senate amendment a provision which would have limited payments to any one producer to not to exceed \$25,000. Also eliminated from the Senate amendment was a provision which would have denied all price supports to a producer who did not participate in the acreage reserve.

The amount of acreage a producer will be permitted to put into the conservation reserve will vary by commodities but generally the program as tentatively formulated by the Department of Agriculture will permit farmers with small acreage allotments to put their entire allotment into the acreage reserve while those with larger allotments will be limited to a maximum percentage of their allotment. For example, a producer with a grain allotment would be permitted to put into the reserve 50 acres or 50 percent of his allotment, whichever is larger. Thus, any farmer with a grain allotment of less than 50 acres could place his entire allotment in the acreage reserve if he chose to do so. In addition, there is nothing in the legislation herewith reported which would prevent a small farmer from putting his maximum allowable acreage in the acreage reserve and then placing the balance of his land in the conservation reserve, providing regulations of the Secretary permit such action.

Preliminary and still tentative estimates of the payments per acre for the various crops or acreage put into the acreage reserve are as follows: Cotton, \$48-\$60; wheat, \$18-\$25; corn, \$36-\$50; rice, \$60-\$75;

peanuts, \$50-\$70; tobacco, \$100-\$300; and feed grains, \$15-\$50. It should be emphasized that these figures are not only tentative, they are national average figures based upon the national average yield per acre of the various crops. The rate of payment an individual farmer can expect will be based not only upon these national average figures but upon the normal yield per acre of the land he is placing into the conservation reserve and other local factors. The two basic principles with respect to payment are: (1) That the rate of payment should generally reflect the actual net income the farmer might expect to receive from the acreage had he planted it to the allotted crop and (2) that rates of payment are to be attractive enough to encourage farmers to place substantial acreages into the acreage reserve and thereby curtail production below national allotments and marketing quotas.

At the request of the committee of conference the Department of Agriculture has made available its latest administrative memorandum on this matter, now being used as the basis for further consultation with state and county committees. The memorandum is printed herewith as appendix A.

SECTIONS 207-214. CONSERVATION RESERVE PROGRAM

The conservation reserve program (secs. 207-214) is designed to take out of the production of crops and put into a conservation status on a semipermanent basis specified acreages of land. Croplands, including lands now being devoted to such soil-conserving crops as tame hay, alfalfa, and clover, are eligible for the conservation reserve. Section 207 (a) (2) of the Senate amendment would have required a producer putting such soil-conserving croplands into the conservation reserve to increase the acreage devoted to soil-conserving crops or left idle on his remaining land to that previously devoted to soil-conserving crops or left idle on the entire farm. The conference substitute would change this to require the producer to devote to soil-conserving crops or idleness only an acreage of his remaining land equal to that previously devoted to soil-conserving crops or left idle on such remaining land. Thus a producer who normally had 100 acres of tame hay and 10 acres each of oats and barley could put 40 acres of tame hay land into the conservation reserve without being required to reduce his acreage of oats or barley. He would be required to maintain in soil-conserving crops or leave idle that acreage of his land outside the conservation reserve which had previously been devoted to soil-conserving crops or left idle (namely 60 acres), but he would not be required to increase such acreage by reason of having put 40 acres of tame hay into the conservation reserve.

The program would be carried out on the basis of contracts entered into between the Secretary of Agriculture and the producer. Contract periods would be for not less than 3 years nor more than 10 (except for forestation areas where the period could run for 15 years). In return for the producer agreeing, among other things, not to harvest any crop nor graze the land in the conservation reserve, the Secretary would pay a large part (estimated at approximately 80 percent) of the cost of establishing conservation practices on the land and would pay thereafter an annual amount to the producer roughly equivalent to the rental value of the land.

The total amount of expenditures for the conservation program in any one year is limited to \$450,000,000, including the materials and services provided to assist farmers in establishing conservation practices on the land put into the reserve. A provision in the Senate bill which would have limited payments in any year to any producer to not more than \$7,500 was removed from the bill by the conference.

SECTIONS 215-227. GENERAL PROVISIONS

Sections 215-227 contain general provisions relating to the soil-bank program. These provide: (1) No person will be eligible for soil-bank payments in any year in which he exceeds his farm-acreage allotment for any commodity; (2) a prohibition against the reapportionment to any other producer of acreage placed in the acreage reserve or conservation reserve; (3) authority for the Secretary to make payments under the program upon satisfactory proof by the producer that he has complied with his part of the contract; (4) the requirement that in carrying out the program the Secretary make use of local and state ASC committees, other appropriate state and federal agencies, and of the land use capability data developed by the Soil Conservation Service; (5) the provision that until July 1, 1957, the funds of the Commodity Credit Corporation may be used for carrying out the soil-bank program but that after that date such funds must come from regular appropriations. This provision does not limit the authority elsewhere conferred for the Secretary to make contracts under the soil-bank program for periods of more than 1 year.

SPECIAL PROVISIONS

In its endeavor to make the soil-bank program not only practical and successful from the standpoint of conservation and surplus reduction but also one which will be outstandingly fair and equitable to all who participate in it the committee of conference has made a number of changes, amendments, deletions, and additions of special provisions relating to the soil-bank program. Some of these which deserve special mention are:

Protection of tenants and sharecroppers.—No single problem connected with the proposed soil bank has caused the committee more concern than that of guaranteeing adequate protection of tenants and sharecroppers under the program. Several provisions referring to tenants and sharecroppers and intended to protect their interests, while at the same time safeguarding the interests of landlords, were scattered throughout the soil-bank portion of the Senate bill. After the most careful consideration, the committee considered them inadequate to afford the protection desired. The committee tried for many hours to devise a specific formula or direction to the Secretary of Agriculture covering the landlord-tenant-sharecropper relationship which would assure by specific legal provision fair treatment of all concerned. It realizes, however, that these relationships are so different in various types of farming areas and in different geographic locations, and even from one farm to the next in the same area, that it is probably impossible to write into the law a formula for equitable sharing in benefits under the soil bank act which will work fairly in all the multitude of individual relationships of this type which exist.

After the most thorough consideration, therefore, the committee of conference reached the conclusion that the safest way to guarantee fair treatment of all participants in the soil bank program is to put into the law the general rules on which the division of benefits under this act is to be made, to require that each landlord in applying for participation in the program stipulate in detail how he proposes to share the benefits with his tenants or sharecroppers, and to require the county committee made up of farmers who are thoroughly familiar with local conditions to approve the proposed division of benefits before the farmer will be permitted to participate in the program. The stipulated and approved proposal for dividing the benefits will then be made a part of the contract and failure or refusal to carry out that provision would subject the producer to the penalties provided by the act.

Forfeiture of price supports benefits.—The committee has stricken from the bill language appearing in two sections of the soil-bank title which would have authorized the Secretary to require forfeiture of all price-support benefits for violation of a soil-bank contract. This was a provision desired chiefly by livestock producers as a protection against a farmer placing land into the soil bank, receiving his payment therefor, and then using the land for grazing purposes.

The committee recognizes the problem faced by the livestock industry. Under the soil-bank program it is likely that millions of acres now in crops will be put into grass. The contract signed by the producer placing his acreage into the soil bank will prohibit the using of this land for grazing except under emergency conditions and with the permission of the Secretary of Agriculture. Recognizing both that payments for participation in the soil bank probably cannot and should not be deferred until a full year's compliance can be checked, but also that after a farmer has received his payment and the grass on his regular pastures becomes short there will be a substantial temptation to put livestock on the soil-bank acreage in violation of the contract, the committee of conference still believes that the penalty provided in the Senate bill of forfeiture of all benefits under the price support programs is unduly excessive.

Instead, it urges the Secretary of Agriculture to utilize the very adequate legal provisions relating to contract violation which remain in the bill, including the additional penalty of 50 percent which was added by the conference committee, to deal quickly and effectively with violators of soil-bank contracts and not to hesitate to resort to court action to enforce the penalties provided by the bill whenever that action seems justified. In addition, administrative regulations should provide as much certainty as is possible that the contract conditions have been and will continue to be adhered to before any payment for performance is made.

Appeal of terminated contract.—The committee was not satisfied with the provisions in the bill relating to the right and the procedure of appeal by a producer from a decision by the Secretary terminating a soil-bank contract. The committee has completely rewritten this provision (sec. 207 (d)). As reported herewith it provides that where the State committee believes there has been a violation which would warrant termination of contract, the producer must be given written

notice thereof by registered mail, and the producer will have the right within 30 days to appear at an informal proceeding before the county ASC committee to show cause why his contract should not be terminated. At the conclusion of such hearing the county committee will submit a report to the State committee and the producer has the right to appear before the State committee in connection with its determination of the issue.

The State committee must give the producer written notice of its decision in the matter and if the producer feels aggrieved he has the right of immediate appeal to the United States district court and for a trial *de novo* of the issue before such court.

Voluntary participation.—Stricken from the bill is section 226 of the Senate amendment which would have required participation in the soil bank as a condition of eligibility for price support. The committee felt that the soil-bank program and the regular price support program, while they supplement and complement each other, are separate and distinct programs and that no new condition of eligibility for price support (except as to those commodities for which new price support programs directly related to the soil bank are set up in the bill) should be imposed by the soil-bank program.

The soil-bank provisions require that to be eligible for payment under the program a producer must be in compliance with all acreage allotments. In addition, each of the allotment and marketing quota programs carries its own penalty for failure to comply. Removal of section 226 from the bill will make the soil bank a strictly voluntary program, as recommended by the Secretary of Agriculture.

Tree seedlings.—In section 211 the Secretary is authorized to “purchase or produce” conservation materials. The word “produce” is retained in the section for the single purpose of permitting the Department of Agriculture to grow seedling trees for reforestation purposes—and then only to the extent of utilizing existing departmental nursery facilities—or to supply a definite deficiency that cannot be filled by private nurseries. It is not the intention of the committee to put the Department into the seedling producing business, but rather, that seedlings for the soil-bank program should be purchased from private sources to the full extent that such sources are capable of meeting the demand at competitive prices.

Production on Government-owned lands.—Section 225 would have prohibited the leasing hereafter, or the renewal or extension of any existing lease, for the production on Government-owned lands of any agricultural commodity determined by the Secretary of Agriculture to be in surplus supply. As enacted by the Senate the provisions of the section would have been extremely difficult to administer and would have required of the Secretary a separate determination as to the surplus position of each agricultural commodity.

It is the understanding of the committee that the President has received or is about to receive from a committee appointed by him the report on a thorough study of this problem with recommendations as to its solution. In place of the language in the Senate bill, therefore, the language adopted by the conferees directs the President to carry out a policy of restricting, insofar as practicable, the leasing of such lands for the production of price-supported crops in surplus supply.

TITLE III—SURPLUS DISPOSAL

SECTION 301. PROGRAM OF ORDERLY LIQUIDATION

Requires the Commodity Credit Corporation to use its existing authority to dispose as rapidly as possible of all stocks of agricultural commodities held by it. Requires the Secretary to submit a detailed program for such disposal and also for preventing the future accumulation of surpluses in the hands of CCC by adoption of a food-stamp plan or similar program, and also for strategic stockpiling of food-stuffs and other agricultural products both inside and outside the United States. These reports are to be made within 90 days after enactment of the act and to include specific legislative recommendations for their accomplishment.

SECTION 302. EXTRA LONG STAPLE COTTON

Subsection (a) as passed by the Senate provides that the existing import quota on extra long staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall, hereafter, cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{1}{16}$ inches and longer to bring such cotton back within the quota.

The import of cotton having a staple length of $1\frac{1}{16}$ inches and longer has increased from a level of about 7,000 bales in 1951 to an estimated 16,000 bales in 1955. During this same period, stocks of United States grown extra long staple have increased about 7 times. Any imports of extra long staple cotton above the established quota necessarily materially interferes with and tends to render ineffective the price-support program for United States grown extra long staple cotton.

This section was amended by the committee of conference to require that provision be made for the type of cotton being brought within the existing quota and that dates for the quota year conform to normal marketing practices. The present quota year (February 1 to January 31) conforms to the harvest and marketing season of the cotton now subject to quota control. Cotton stapling $1\frac{1}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. If the quota were filled at that time, importers of such cotton could not enter any such cotton into the United States until the next quota year. The amendment will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) is the same as it was in the Senate bill except for a clarifying amendment. As amended, this section directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra long staple cotton. These stocks currently amount to about 100,000 bales. The program directed by this section, together with the continued offering of any CCC cotton for domestic use in accordance with the provisions of section 407 of the Agricultural Adjustment Act of 1949, as amended, will enable the Commodity Credit Corporation within a relatively few years to move its stocks of this type of cotton into consumption in an orderly manner.

SECTION 303. AGREEMENTS LIMITING IMPORTS

Authorizes the President, whenever he determines such action appropriate, to negotiate with foreign countries in an effort to obtain agreements to limit the export from any such country and the importation into the United States of any agricultural commodity (including, as does sec. 22 of the Agricultural Adjustment Act of 1933, as amended, products of agricultural commodities such as flour, dairy products, textile products, and other products manufactured or processed from agricultural commodities). In order to carry out any such agreement which may be entered into, the President is authorized to issue such regulations governing the importation of such articles as may be required or appropriate to carry out the arrangements made with such countries to prevent increases in imports of such commodities or products.

This section is desirable in view of section 302, which directs the disposal of stocks of agricultural commodities held by the Commodity Credit Corporation, and of the general policies of the Department of Agriculture under which surplus agricultural commodities are made available in world markets at competitive prices which are generally below domestic price levels.

Unless there is some limitation on imports of products manufactured abroad from our surpluses, the sales program may well defeat its own purpose of expanding the total market for our agricultural products. It is the belief of the committee that this objective frequently can be accomplished through friendly negotiations, rather than taking recourse in the first instance under section 22 of the Agricultural Adjustment Act of 1933, as amended. However, if it develops that the desired objective cannot be accomplished through negotiations, then it is the belief of the committee that appropriate action should be taken under section 22 of the Agricultural Adjustment Act of 1933, as amended. This section makes it clear that the authority conferred does not in any way limit or restrict the use of section 22.

SECTION 304. APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

Authorizes the appropriation annually, beginning July 1, 1956, of not to exceed \$500,000,000 to supplement operations under section 32, Public Law 320, 74th Congress, of which not to exceed 50 percent could be used for any one commodity or the products thereof.

SECTION 305. TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL STOCKPILE

Directs the transfer to the supplemental stockpile of strategic materials acquired by CCC as the result of barter or exchange of agricultural products.

SECTION 306. SURPLUS DISPOSAL ADMINISTRATOR

Authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture at an annual salary not exceeding \$15,000. It is the understanding of the committee that the Secretary now has a capable Administrator doing this job—without benefit of the title here conferred. It is the committee's hope that, with this

ratification of such policy, it will be further implemented by appointment of topflight assistants to the Administrator to deal with problem commodities, specifically cotton and wheat.

SECTION 307. USE OF VOLUNTARY AGENCIES AND SHIPPING SUBSIDY
FOR MERCHANT MARINE

Increases from \$300,000,000 to \$500,000,000 the limitation on operations under title II of Public Law 480, 83d Congress. Also authorizes the payment of ocean freight from CCC funds for commodities shipped under title II and also for commodities made available under section 416 of the Agricultural Act of 1949, if the President finds that payment of ocean freight is necessary to accomplish the purposes of these acts.

SECTION 308. COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR
INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

Establishes a five-member bipartisan commission appointed by the President to prepare and present to Congress not later than June 15, 1957, recommendations to bring about the greatest practical use for industrial purposes of agricultural products. Authorizes appropriation of \$150,000 for the expenses of the commission.

SECTION 309. DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

Authorizes donation of surplus food commodities to Federal penal and correctional institutions and to State reformatories and other correctional institutions for minors.

SECTION 310. FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL
PROJECTS

Prohibits for a period of 3 years from the date of the act, payment of "any crop loans or Federal farm payments or benefits" on any agricultural commodity declared by the Secretary to be in surplus supply if grown on any newly irrigated or newly drained lands within any Federal irrigation or drainage project hereafter authorized. It is to be emphasized that this provision applies only to projects "hereafter" authorized, continues only for a period of 3 years, and does not apply to any lands "used for the production of such commodity" before the enactment of this provision. It will not, therefore, apply to any irrigation or drainage projects on which price supported crops are presently being grown.

SECTION 311. PROCESSING OF DONATED FOOD COMMODITIES

Authorizes the Commodity Credit Corporation to pay the cost of processing into a form suitable for home consumption commodities donated under section 416 of the Agricultural Act of 1949. Present authority extends only to "reprocessing," which does not include such operations as the grinding of grain into meal or flour. CCC is authorized to carry out such operations now only in connection with the special relief programs authorized by Public Law 311, 84th Congress.

TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

SECTION 401. EXTENSION OF SURRENDER AND REAPPORTIONMENT PROVISIONS FOR WHEAT ACREAGE ALLOTMENTS

Extends for the crop years 1956 and 1957 authority for the voluntary surrender and reapportionment of wheat acreage allotments.

SECTION 402. ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

Provides that the national marketing quota for cotton for the 1957 and 1958 crops shall not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956.

SECTION 403. COTTON—SMALL FARM ALLOTMENTS

Establishes for the years 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller. The 100,000 acres would be in addition to the national acreage allotment and would not be taken into consideration in establishing future State acreage allotments. In addition, a provision added by the conference committee promises some relief for small farmers in 1956 by authorizing the Secretary to allot in each State acreage which is underplanted and not placed in the soil bank or considered planted by virtue of notification to the county committee, for the purpose of increasing small farm allotments in 1956 to 4 acres or the highest acreage planted in the past 3 years, whichever is smaller.

SECTION 404. MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE CROP

Provides each State with a minimum allotment of rice for 1956 equal to 85 percent of the final allotment established for such State for 1955.

SECTION 405. INCREASE IN PEANUT MARKETING PENALTIES

Beginning with the 1956 crop, establishes peanut marketing penalties at 75 percent of the support price instead of 50 percent under present provisions of law.

SECTION 406. COLLECTION OF PEANUT MARKETING PENALTIES

Provides for interest at 6 percent a year on peanut marketing penalties from the date when due until the date of payment and for a lien on any crop of peanuts subject to marketing quotas in which the person liable for the payment of penalty has an interest, until the penalty is paid.

SECTION 407. PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

Provides that beginning in 1956 any producer may underplant an acreage allotment but maintain his history as though the full allotment had been planted, if he makes proper notification to the county

committee of his desire to retain his acreage history. The exception would not be granted to any farm on which no acreage of the commodity was planted for 4 successive years or if done to avoid penalties. The acreage not planted could not be reallocated to any other farm.

SECTION 408 (A) (B) (C). CORN

No substantial change has been made in the provisions relating to price supports for corn as adopted on the Senate floor. The provisions in this section, together with other correlative provisions of the bill, would make corn acreage allotments inoperative for 1956 and substitute in lieu of the national acreage allotment of 43,281,000 acres a "base acreage" for corn totaling 51,000,000 acres nationally.

To become eligible for price supports under this new program, a corn producer would be required to devote an acreage equal to 15 percent of his farm base acreage for corn to the acreage reserve or the conservation reserve program. By underplanting his corn base acreage 15 percent and placing that land in the acreage reserve, the producer would become eligible for an acreage reserve payment at the corn rate. By planting not to exceed his base acreage in corn and placing an amount of land equivalent to 15 percent of that base acreage in the conservation reserve, he would become eligible for a conservation reserve payment.

Not later than December 15, 1956, the Secretary is directed to conduct a referendum among corn producers in the commercial producing area to determine whether they favor continuation of corn acreage allotments and price supports under section 101 of the Agricultural Act of 1949, or no acreage allotments and price supports "at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn." The decision reached in the referendum would be effective for 1957 and subsequent years.

SECTION 408 (D). FEED GRAINS

In lieu of the provisions in the Senate bill relating to feed grains the committee of conference has set up an entirely new provision relating to price supports for feed grains and their inclusion in the soil bank program. The new program has the following major features:

(1) In noncommercial corn areas corn will be classified as a feed grain along with oats, rye, barley, and grain sorghum. In commercial corn areas the feed grains will consist of the customary four small grains.

(2) A base acreage allotment for feed grains will be established for each farm. In 1956 this allotment will be the average acreage devoted to feed grains on the farm in the 3 years 1953-55. Thereafter a national base acreage allotment will be determined on the basis of the 1953-55 national acreages of these grains and this will be allotted to States, counties, and farms, in the usual manner of distributing acreage allotments. The apportionment of the county base acreage for feed grains to farms on the basis of past acreage, crop rotation, tillable acreage, type of soil and topography would be on the basis of the same factors now provided in the establishment of individual farm wheat acreage allotments. Under this language,

any year in which the acreage for a farm is low because of abnormal weather conditions, the acreage for such year would be eliminated from the historic average since the actual acreage planted was below the acreage which would have been planted under the crop-rotation system followed on the farm.

(3) For each year in which there is an acreage reserve program in effect for corn in the commercial corn area, feed grains will be entitled to support on the following basis: Corn grown outside the commercial corn area, 85 percent of the level of price support for corn grown in the commercial area; grain sorghum, barley, rye, and oats, a percentage of the parity for each commodity which is 5 percentage points of parity less than the percentage of parity at which corn is supported in the commercial corn-producing area.

(4) In order to be eligible for such price supports on feed grains, the producer would be required to devote not less than 15 percent of his base acreage to either the acreage reserve program or the conservation reserve, and not to plant a total acreage of feed grains in excess of 85 percent of his base acreage. For 1956, however, producers may remain eligible for the price supports heretofore announced, even if they do not participate in this manner in the soil bank program and thus become eligible for the higher level price supports provided by this section.

TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

SECTION 501. WHEAT MARKETING CERTIFICATES

This section provides for a domestic parity plan for wheat almost identical with that which has previously been approved by the House. Producers would receive 100 percent of parity for their share of the wheat crop which is domestically consumed for food and substantially the world price for the balance of their production. Stability of market prices would be assured by a low level loan rate geared primarily to the support level of feed grains and to world market conditions.

Acreage allotments may be continued, and eligibility for domestic marketing certificates would be conditioned both upon compliance with acreage allotments and upon the planting of an acreage of wheat sufficient to fill the producer's domestic quota at normal yields. If acreage allotments are prescribed, they shall be in the amounts and determined in the manner provided by title III of the Agricultural Adjustment Act of 1938, as amended. The plan would automatically take care of producers who do not ordinarily grow wheat for sale but rather for use as feed. Any such producers would be permitted to grow any quantity of wheat without penalty.

The program would be self-financing. Processors and importers would be required to purchase certificates for the difference between the domestic parity and the established market price of wheat processed or imported by them, and refunds would be made upon the exportation of wheat products. The amounts collected from processors and importers would offset almost identically the amounts paid to producers.

The bill provides that the new program will not go into effect at once but will be the subject of a referendum among wheatgrowers whenever referendums are held in the future on marketing quotas.

The first such referendum will be held early next summer. If wheat producers vote, in any such referendum, by more than two-thirds in favor of the domestic parity plan, the program will automatically go into effect in place of the present system of acreage allotments, marketing quotas, and price supports by loan and purchase programs.

SECTION 501. RICE—PRIMARY MARKETING CERTIFICATES

Section 501 (which makes extensive amendments to the Agricultural Act of 1938, as amended) also establishes a two-price plan for rice quite similar to that authorized for wheat. Unlike the wheat plan, which calls for a referendum, the rice program would be put into operation in 1956 but would apply only to rice harvested "prior to 1958."

Under this plan, rice producers would be given a primary market quota. Such quota would be based upon the consumption of processed rice in the United States plus the quantity exported to Cuba. The support level for rice would be established for 1956 at 55 to 90 percent of parity and thereafter at 50 to 90 percent of parity, with the Secretary being directed to establish the support price at a level which would not discourage the exportation of rice produced in the United States.

At the beginning of each marketing year rice producers would be issued certificates for the quantity of rice equal to the primary market quota for the farm. The value of such certificates would be the difference between the support level for rice and 90 percent of parity. Processors of rice in the United States would be required to acquire certificates in an amount sufficient to cover the quantity of rough rice processed. Certificates would also be required for the importation of rice. Upon the exportation of processed rice to any country other than Cuba, processors would receive a refund on an equivalent quantity of certificates. This program, like the two-price plan for wheat, would be essentially self-financing since the sale of certificates to processors would substantially cover payments to producers.

The section provides for inventory adjustments to persons owning rice in the United States on the date the program becomes effective, so that they will neither gain nor lose from the anticipated change in general market prices of rice on that date.

SECTION 502. NORMAL YIELD FOR RICE

Establishes new criteria for determining the normal yield for rice for counties and farms. The calculation is to be based on a five-year period adjusted for abnormal weather conditions and trends in yield.

TITLE VI—FORESTRY PROVISIONS

SECTION 601. ASSISTANCE TO STATES FOR TREE PLANTING AND REFORESTATION

This section authorizes additional cooperative activity between the Department of Agriculture and the States in tree planting and reforestation. Upon presentation by the proper State official the Secretary is authorized to approve a plan for tree planting and reforestation within the State and thereafter to cooperate technically and finan-

cially in such program. With respect to parts of the program carried out on non-Federal lands, the Federal financial contribution cannot exceed that of the State toward the same program. The Secretary is directed to cooperate with other Federal agencies and with the appropriate State forester in approving and carrying out such plans.

DELETIONS FROM SENATE BILL

Several sections appearing in the Senate amendment have been deleted by the committee of conference. Among them are the following:

STANDARD GRADE FOR COTTON (SEC. 103 OF SENATE BILL)

The Senate committee bill contained a provision changing the standard grade for cotton. The committee of conference eliminated this provision from the bill. In considering these standards for cotton the committee was aware of the past practice of the Commodity Credit Corporation of refusing to make the differentials in loan values on spotted cotton which are customarily made by the cotton trade. Specifically, the trade recognizes a very wide differential in value between light and heavy spotted cotton. Most cotton buyers will at all times pay substantially more for light spots than for heavy spots. In some cases this differential amounts to as much as \$15 or \$20 per bale. By contrast the CCC has consistently recognized no differential between light and heavy spots and has made their loans on all spotted cotton on the basis of heavy spots. The committee understands that the Department of Agriculture and the Commodity Credit Corporation now have the power to make the same differential in commodity credit loans which are normally made by the cotton trade. It is the opinion of the committee that the Department should exercise this power.

Processor certificates (sec. 108 of Senate bill).—This section would have required the Secretary of Agriculture to obtain from processors of agricultural commodities purchased for price support or surplus removal certificates stating that producers had received not less than the support price for the raw commodities. It would have applied to funds used "regardless of the source" and would thus have applied to section 32 operations as well as to the regular price-support programs.

Many of these operations are carried out on a bid and purchase basis under conditions where it would be virtually impossible for the processor to certify as to the price paid for the particular products being bought by the Government. It would have rendered virtually impossible most of the operations now being carried out with section 32 funds and many of the regular price support operations.

The committee believes that the present provision of law (sec. 401 (e) of the Agricultural Act of 1949) is adequate if applied with the utmost diligence by the Secretary. The committee is not certain that it has always been applied in this manner but urges that the Secretary utilize this existing authority to the fullest. In this connection, it also urges that where these operations are carried out purchases or loans not be confined to only certain grades of products but that, to the fullest extent practicable, they be made available on all usual grades.

Reestablishment of United States share of world cotton market (sec. 303 of Senate bill).—Directed the Commodity Credit Corporation to use its existing powers and authorities to encourage the sales for export at competitive world prices of such quantities of cotton as will establish and maintain the fair historical share of the world market for United States cotton. The volume to be sold was to be determined by the Secretary of Agriculture. The section further provided that export sales for foreign currency under section 102 of Public Law 480 be made at competitive world prices.

The Secretary of Agriculture already has ample authority to accomplish the purposes of section 303. Furthermore, the Department of Agriculture announced on February 28, 1956 that cotton will be sold for export after July 31, 1956 on a competitive bid basis. The committee of conference is gratified that action has been taken to inaugurate what it hopes will be a stable and consistent sales program. This section was deleted with the understanding that the Secretary of Agriculture would use such methods as are necessary to achieve the purposes of section 303 and meet his announced goal of exporting at least 5,000,000 bales of cotton annually.

Study of meat grading system (sec. 701 of Senate bill).—This section was eliminated from the bill not because the conferees do not agree that the existing system and theories of meat grading require study and review, but because ample authority exists in present law for such a study by the Secretary of Agriculture.

In recent years there have been numerous questions raised about the present system of meat grading—both as it affects livestock producers and as it may affect marketing and distribution systems and consumer buying habits. The Secretary has ample authority to study and examine the meat grading system both under his general authorities and under such specific statutes as the Research and Marketing Act of 1946. The committee recognizes the value of the meat grading system and anticipates its continuation. If it can be improved, however, the Secretary should make such study as he determines necessary and suggest such changes as he finds desirable.

APPENDIX A

PLANS FOR IMPLEMENTING THE SOIL BANK, (TENTATIVE)

(Based on H. R. 12)

The season for 1956 crops is so far advanced that the acreage reserve program will not be fully effective.

I. ACREAGE RESERVE—OBJECTIVE: REDUCTION OF ACREAGE OF DESIGNATED CROPS ON A VOLUNTARY BASIS

A. Establishment of normal yields to serve as a basis of payment

1. Operating procedure:

(a) Use check yields during 1951-55 as a base except for wheat which will be for 1945-54 period. Adjustments will be made for abnormal years.

(b) Establish county check yields on basis of (a) above. In the case of tobacco and peanuts, actual farm yield will be used where available.

(c) County committeemen determine normal yields for community (these should weight out to county normal yields).

(d) Community committeemen may aid the county committee in establishing a normal yield rating for each farm in the community which grows the designated crops. Each such farm will be placed in one of several yield rating categories, ranging above and below the community average. Adjustment procedures may be necessary to bring farm yield into balance with county average.

(e) Individual farmers will then be invited to offer a part of their acreage of the designated crops for the acreage reserve. Such land should be equal in productivity to land used for the allotment crop on their farms. The county committee can then quote them a dollar figure per acre for typical land to be set aside for the acreage reserve for these designated crops for their farm. If the designated land is found to be below average, a lower per acre payment will be made. With the exception of the first year, farmers should indicate their intention to participate prior to planting time.

(f) No crop may be harvested or grazed from reserve acres, except that the Secretary may permit grazing under certain emergency conditions.

B. Preliminary incentive rates for the acreage reserve program

1. Possible incentive payment rates: The extent to which these rates need to be varied according to quality, location, and other factors is still under study. (These following figures are preliminary.)

Commodity	Unit	Payments based on H. R. 12				
		Support rate ¹	Rate as percent of 1956 support			
			35	50	60	70
Wheat.....	Bushel.....	\$2. 27	\$0. 79	\$1. 14	\$1. 36	\$1. 59
Cotton.....	Pound.....	. 3181	. 1113	. 1590	. 1909	. 2227
Rice.....	Hundred-weight.....	4. 90	1. 71	2. 45	2. 94	3. 43
Corn (commercial area).....	Bushel.....	1. 65	. 58	. 82	. 99	1. 14
Corn (noncommercial area).....	Bushel.....	² 1. 40	. 49	. 70	. 84	. 98
Oats.....	Bushel.....	. 72	. 25	. 36	. 43	. 50
Barley.....	Bushel.....	1. 13	. 40	. 56	. 68	. 79
Rye.....	Bushel.....	1. 41	. 49	. 70	. 85	. 99
Grain sorghum.....	Hundred-weight.....	2. 18	. 76	1. 09	1. 31	1. 53
Peanuts.....	Pound.....	. 123	. 043	. 062	. 074	. 086
Tobacco:						
Flue-cured (11-14).....	Pound.....	. 482	. 169	. 241	. 289	. 337
Fire-cured (21-24).....	Pound.....	3. 354	. 124	. 177	. 212	. 248
Burley (31).....	Pound.....	. 472	. 165	. 236	. 283	. 330
Maryland (32).....	Pound.....	. 476	. 167	. 238	. 286	. 333
Dark air-cured (35-36).....	Pound.....	4. 315	. 110	. 158	. 189	. 220
Sun-cured (37).....	Pound.....	4. 315	. 110	. 158	. 189	. 220
Cigar types: ⁵						
42-44.....	Pound.....	. 230	. 081	. 115	. 138	. 161
51.....	Pound.....	. 516	. 181	. 258	. 310	. 361
52.....	Pound.....	. 483	. 169	. 242	. 290	. 338
54.....	Pound.....	. 226	. 079	. 113	. 136	. 158
55.....	Pound.....	. 290	. 101	. 145	. 174	. 203

¹ 90 percent of "old" or "new" parity, whichever is higher as of Mar. 15, 1956 except feed grains and corn in the noncommercial area.

² 85 percent of the rate in the commercial area or about 76.5 percent of old parity.

³ Three-fourths of burley support rate.

⁴ Two-thirds of burley support rate.

⁵ Preliminary estimate as parity is computed for groups 42-44, 51-56.

2. Maximum and minimum participation:

(a) Maximum:

Grain: 50 acres or 50 percent of allotment, whichever is larger.

Cotton and peanuts: 10 acres or 50 percent of allotment, whichever is larger.

Tobacco: 5 acres or 50 percent of allotment, whichever is larger.

(b) Minimum:

Grain: 5 acres or allotment, whichever is smaller.

Cotton and peanuts: 2 acres or allotment, whichever is smaller.

Tobacco: 1 acre or allotment, whichever is smaller.

C. Participation and cost on a national basis (highly tentative)

	Acres which might come in	National average check yield per acre	Approximate cost per acre ¹	Total cost
	(Millions)		(Dollars)	(Million dollars)
Cotton.....	3-5	303 pounds.....	48-60	145-300
Wheat ²	3 12-15	15.8 bushels.....	18-25	216-375
Corn ³	4-6	44.2 bushels ⁴	36-50	144-300
Other feed grains ⁵	2-4	Depends on crop.....	15-50	75-175
Rice.....	.3	2,500 pounds.....	60-75	18-23
Peanuts.....	.1	990 pounds.....	50-70	5-7
Tobacco.....	.15	1,300 pounds.....	100-300	15-45
Total.....	21.4-30.55	.....	.....	618-1,225

¹ Based on approximately 90 percent supports and optional parity.

² Commercial area only.

³ Based on both winter and spring crop.

⁴ Commercial corn area yield.

⁵ Oats, barley, rye, sorghum for grain, and corn in the noncommercial corn area.

The cost per acre of obtaining participation remains in doubt due to the lateness of the season and the changing provisions of the proposed legislation. Surveys previously made of payment rates required are no longer applicable due to the fact that crops are already being planted and the support rate changes.

With every day's delay, the cost of the program increases and the effectiveness decreases.

D. Terms of the "acreage reserve" agreement

1. Voluntary.
2. For 1 year but with terms to encourage participation for more than 1 year.
3. "Acreage reserve" lands must be at least typical quality land for the designated crops on the farm.
4. The acreage of crops covered by the agreement must be reduced below the acreage allotment or the base acreage, whichever is applicable, by the amount of acreage placed in the "acreage reserve."
5. In the case of rented land, compensation is to be divided among interested landlords, tenants, and sharecroppers on the farms in the same proportion as they would have shared in the crop in the absence of an acreage reserve program, unless division on another basis is agreed upon by landlords and tenants and their agreement is approved by the county committee in accordance with standards prescribed by the State committee.

II. CONSERVATION RESERVE—OBJECTIVE: REDUCE THE ACREAGE OF LAND IN ROW CROPS AND GRAINS INCLUDING OIL SEEDS ON A VOLUNTARY BASIS AND DIVERT SUCH ACREAGE TO CONSERVATION USES

A. Conservation reserve incentives

1. Annual payments and terms of contract:

(a) \$10 per acre, per year average for the United States for 3- to 15-year period. Rates established on basis of land productivity, agricultural value of land, and other factors. Rates are designed to encourage farmers to take out their marginal cropland.

(b) County or area rates would vary on the basis of such factors as productivity and value of farm land.

(c) Rates would be established by areas and be based on relative productivity of the land in the area. Farm rates would be

established on the basis of the rating of the area in which the specified acreage placed in "conservation reserve" is located.

(d) Eligible land, depending on area, would be land which was used for the production of rotation crops including alfalfa, clover and other tame hay during the rotation on the farm. The acreage of row crops and grains including oilseeds must be reduced by the number of acres placed in the conservation reserve and the acreage reserve.

(e) All lands placed in the "conservation reserve" must be in or placed in approved conservation uses and may be neither harvested nor grazed except that the Secretary may permit grazing under certain emergency conditions.

1. Some lands may already be in approved types of cover. These lands may be entered in a 3-year contract.

2. Where it is necessary to establish cover, the normal contract will be for 5 years. In the case of land placed in trees, the normal length of the contract will be 10 or 15 years.

3. Costs of practices would be shared, with Government paying up to 80 percent of agreed-upon costs, within maximum limitations for establishment of trees, other cover, or other practices. Due to seed limitations, practices in first year may be modified if soil is protected.

2. Eligible conservation practices and uses:

(a) Practices and rates of payment insofar as possible will be consistent with the present ACP program.

(b) Vegetative cover:

1. Prefer perennial grasses and legumes.

2. Annuals may be permitted when seeded with perennial grasses and legumes.

3. Annuals may be permitted alone when no perennial seed is available if approved practices will follow. Due to seed limitations, some latitude may be needed regarding soil protective practices during the first year.

(c) Trees:

1. Adapted forest trees.

2. Shrubs when interplanted for shelterbelt purposes.

(d) Water storage: Cost of water retention reservoirs shared.

III. INCLUSION OF FULL FARMS

A farmer offering to place his full farm in the "soil bank" may receive payments under the "acreage reserve" for the designated crop acres on the farm (subject to maximum) and under the "conservation reserve" at the appropriate conservation reserve rate which will normally be lower than the acreage reserve rate, for the other acres normally in row crops or grains (including oil seeds). No payment would be made on the number of acres of land normally in conservation uses or normally idle.

IV. CERTIFICATES

A. Draw them in terms of dollars.

B. Under certain conditions, to be established by the Secretary, a farmer may purchase CCC grains with his certificates.

HAROLD D. COOLEY,

W. R. POAGE,

E. C. GATHINGS,

CLIFFORD R. HOPE,

AUGUST H. ANDRESEN,

Managers on the Part of the House.

C

It was a pleasure to set forth my opinions on this topic and you may feel free to insert this letter in the CONGRESSIONAL RECORD.

Sincerely yours,

J. EDGAR HOOVER.

ROY COWAN ET AL.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 370)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 6421, "For the relief of Roy Cowan and others."

The bill directs the payment of sums aggregating \$276,568 to 28 individuals in settlement of claims for damage based on the flooding of privately owned lands. The flooding is alleged to have resulted from activities of the Fish and Wildlife Service of the Department of the Interior in the establishment and management of the Lake Alice National Wildlife Refuge in North Dakota.

In my judgment this is a case in which there has been an unfortunate failure in communications between the executive and legislative branches of the Government. A subcommittee of the House conducted a hearing on the ground and made a personal inspection of the area and the construction works involved. Although Department of the Interior engineers testified at the hearing, the views of the Department were not presented at the hearing and the report of the Department on the bill apparently was not received in time for consideration before floor action was taken by the House of Representatives. As a result, the record before me is one of unresolved disagreements of fact and law. Nevertheless, the materials presented by the Department of the Interior convince me that a satisfactory and adequate basis has not been established for appraising the merits and the equity of the claims.

Under the circumstances I believe that I have no choice but to return the bill without my approval, but with my recommendation that the case be handled either by the referral process frequently used in difficult claims cases or, if warranted, by the enactment of a jurisdictional bill which will preserve the rights and proper defenses of the litigants.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 9, 1956.

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection the bill and the message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

FEASIBILITY OF MAINTAINING A PERMANENT DOMESTIC TIN-SMELTING INDUSTRY IN THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 371)

The SPEAKER laid before the House the following message from the Presi-

dent of the United States, which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency and ordered to be printed:

To the Congress of the United States:

Pursuant to the provisions of Senate Concurrent Resolution 26 of April 21, 1955, I transmit herewith for the information of the Congress a report entitled: "A Study of the Feasibility of Maintaining a Permanent Domestic Tin-Smelting Industry in the United States."

The study was made for me by the Office of Defense Mobilization with the assistance of a special interagency group comprised of representatives of the Departments of State, Treasury, Defense, Interior, and Commerce, the General Services Administration, and the United States Tariff Commission.

I concur with the conclusions of the study, and I am also in accord with the recommendation contained in the attached memorandum from the Director of the Office of Defense Mobilization.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 29, 1956.

REPORT OF THE NATIONAL CAPITAL HOUSING AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of Public Law 307, 73d Congress, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the National Capital Housing Authority for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 9, 1956.

FIRST ANNUAL REPORT OF THE OPERATION OF THE UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the First Annual Report of the Operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 9, 1956.

AMENDING THE ARMED FORCES RESERVE ACT OF 1952

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8107) to amend the Armed Forces Reserve Act of 1952, as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

After line 5, insert:

"Sec. 2. The Armed Forces Reserve Act of 1952, as amended, is amended by inserting immediately after section 263 thereof the following new section:

"'Sec. 264. Notwithstanding any other provision of law any person called or ordered to perform a period of active duty for training in excess of 30 days under authority of subsections 233 (d) or 262 (c) of this act, shall during such period be deemed to have been called or ordered into active naval or military service by the Federal Government for extended naval or military service in excess of 30 days for the purpose of determining eligibility for any benefit prescribed under Public Law 108, 81st Congress (63 Stat. 201).'"

After line 5, insert:

"Sec. 3. This act shall be effective from August 9, 1955: *Provided*, That no additional basic pay shall be paid to any member by reason of the enactment of this act for any period prior to the first day of the calendar month in which this act is approved."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. ARENDS. Mr. Speaker, reserving the right to object, and I shall not object because I know what the bill purports to do, but I would like to ask the gentleman from Louisiana if he will kindly explain the substance not only of what the bill proposes to do but the Senate amendments added by the Senate.

Mr. BROOKS of Louisiana. Mr. Speaker, this measure simply equalizes the pay received by all the reservists under the new Reserve Forces Act of 1954. It seems that the National Guard man called on active duty for 6 months' training received greater pay than the reservist for the armed services who is not a guardsman. This bill would equalize that pay so that the men all receive the same amount of money when they go on active training for 6 months. They would receive the pay of a private and after 4 months get the pay of a private first class; that is, a pfc.

The Senate added 2 amendments. One of the amendments was to the effect that if a man on active duty training for 6 months received some disease which was injurious and disabling to him or contributed to his death, that this man should be compensated on the basis that the regular is compensated for when he dies or is injured in the service. It also provides under section 3 that the act shall be effective from August 9, 1955. The reason is that the Comptroller asked that we so frame the act so that the repeal is dated back to August 9, 1955, except for pay purposes.

Mr. ARENDS. Let me say to the gentleman from Louisiana I think this is good legislation. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

CONVEYANCE OF LAND TO THE CITY OF CHARLOTTE, N. C.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8634) to authorize the conveyance of a certain tract of land in North Carolina to the city of Charlotte, N. C.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services shall convey to the Charlotte Park and Recreation Commission, an instrumentality of the city of Charlotte, N. C., all right, title, and interest of the United States in and to the tract of land described in section 2 of this act upon the payment by such commission of an amount equal to 50 percent of the fair market value of such tract as determined by the Administrator, less \$10,000, the latter sum representing the amount contributed by the Charlotte Chamber of Commerce toward the purchase price paid for such tract and contiguous land by the United States.

SEC. 2. The tract of land referred to in the first section of this act is described as follows:

A parcel of land located two and one-quarter miles east of the center of Charlotte County of Mecklenburg, State of North Carolina, and more particularly described as follows:

Beginning at a stake at the southeasterly intersection of Central Avenue and Westover Street, and running thence with the southerly line of Central Avenue south 82 degrees 36 feet east 1,200.00 feet to a stake in the southerly line of Central Avenue; thence south 7 degrees 34 feet 30 inches west 1,445 feet, more or less to a stake in the northerly line of McClintock Avenue; thence with the northerly line of McClintock Avenue in a westerly direction 1,325 feet, more or less, to the easterly line of Westover Street; thence with the easterly line of Westover Street 887 feet, more or less, to the point of beginning, containing 32.5 acres, more or less; less and except approximately 7.46 acres transferred March 15, 1956, to the Department of the Army described as follows:

Beginning at the southeasterly intersection of Central Avenue and Westover Street; thence along the southerly line of Central Avenue south 86 degrees 36 feet east 500 feet to a point; thence southerly and parallel with Westover Street 650.00 feet to a point; thence westerly and parallel with Central Avenue to a point in the easterly line of Westover Street; thence northerly with the east line of Westover Street to the point of beginning, being in the city of Charlotte, State of North Carolina, and containing 7.46 acres, more or less; also less and except approximately 4.0 acres transferred March 1, 1955, to the Department of the Air Force described as follows:

All that tract or parcel of land lying and being in the city of Charlotte, Mecklenburg County, North Carolina, bounded on the north by land of the United States Government, Department of the Army, east by land of the United States Government, Veterans'

Administration, south by McClintock Road; west by Westover Street and being more particularly described as follows:

Beginning at a point, said point being the most northwesterly corner of the herein described tract, on the east edge of Westover Street 263.00 feet from the center line of the intersection of McClintock Road and Westover Street; thence from the point of beginning with the land of the Department of the Army, south 86 degrees thirty-six minutes no seconds east 500.00 feet to a point, a corner common to the land of the Department of the Army, and on the property line of the Veterans' Administration; thence with the land of the Veterans' Administration south 3 degrees 34 minutes no seconds west 456.00 feet to the north edge of McClintock Road; thence along the north edge of McClintock Road north 57 degrees 24 minutes 38 seconds west 400.00 feet to the P. C. of a curve; thence along a curve to the left having a length of 124.16 feet and a radius of 322.72 feet to a point on curve; said point being also the P. C. of a curve to the right having a length of 34.47 feet and a radius of 25.00 feet to the P. T. on the east edge of Westover Street; thence along the east edge of Westover Street north 3 degrees 34 minutes 20 seconds east 221.15 feet to the point of beginning, containing 4.0 acres, more or less; also less and except approximately 2.98 acres transferred August 1, 1955, to the Department of the Army, described as follows:

All that tract or parcel of land lying and being in the city of Charlotte, Mecklenburg, North Carolina, and being more particularly described as follows:

Beginning at a point on the south right-of-way line of Central Avenue and 500.00 feet easterly along said right-of-way line from the east right-of-way line of Westover Street, said point being a corner of the Charlotte Army Reserve site; thence south 86 degrees 36 minutes east along the south line of Central Avenue 20,000 feet; thence south 3 degrees 34 minutes west 650.00 feet; thence north 86 degrees 36 minutes west 200.00 feet to a corner of the Charlotte Army Reserve training site; thence north 3 degrees 34 minutes east 650.00 feet to the point of beginning, and containing 2.98 acres, more or less.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Administrator of General Services is authorized and directed to convey to the Charlotte Park and Recreation Commission, an instrumentality of the city of Charlotte, N. C., 18.06 acres of land, more or less, being that part of a 32.5-acre tract of land acquired by the Veterans' Administration on June 16, 1947, as a hospital site which has not been transferred to other Federal use, exact boundaries of said property to be determined by the Administrator.

SEC. 2. Such conveyance shall be made subject to the requirements of section 13 (h) of the Surplus Property Act of 1944 (58 Stat. 770) as added by Public Law 616, 80th Congress (62 Stat. 770.350) (50 U. S. C. App. 1622 (h)): *Provided, however,* That in computation of the amount to be paid by said commission as consideration for the transfer hereby authorized the sum of \$10,000 shall be deducted, such sum representing the amount contributed by the Charlotte Chamber of Commerce to the United States toward original acquisition of the aforementioned 32.5-acre tract.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON THE FARM BILL

Mr. COOLEY submitted the following conference report and statement on the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk; and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1986)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Agricultural Act of 1956'.

"TITLE I—PRICE SUPPORT

"Price Support Levels on Basic Commodities

"SEC. 101. Section 101 (d) (6) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"(6) Except as provided in section 402, the level of support to cooperators shall be 90 per centum of the parity price for the 1956 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas.

"Price Supports—Cottonseed and Soybeans

"SEC. 102. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market.

"Price Supports—Manufacturing Milk

"SEC. 103. The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: "The price of whole milk and butterfat, respectively, shall be supported at a level not in excess of 90 per centum nor less than 80 per centum of the parity price therefor: *Provided,* That for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and the price of butterfat shall be supported at not less than \$3.25 per hundredweight and 58.6 cents per pound, respectively."

"Parity Formula

"SEC. 104. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: ', as of any date during the six-year period beginning January 1, 1950.' The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

"Effective Date

"SEC. 105. This title shall take effect with the 1956 crops.

"TITLE II—SOIL BANK ACT

"Short title

"SEC. 201. This title may be cited as the 'Soil Bank Act'.

"Declaration of Policy

"Sec. 202. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farm land for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

"Subtitle A—Acreage reserve program

"Terms and Conditions

"SEC. 203. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the 'Secretary') is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as 'the commodity'), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable, within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of

such commodity (hereinafter referred to as the 'reserve acreage'), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

"Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

"(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

"(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

"(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of fifty-one million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the five calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local commit-

tees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

"(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 408 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

"(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the three years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 per centum thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed grains (planted and diverted) in such counties for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the three years immediately preceding the year for which the apportionment is made (such farm are hereinafter called 'new feed grain farms'). Producers shall not be eligible for compensation under the acreage reserve program for feed grains, on new feed grain farms. For purposes of this subsection, section 214, and section 408 (d) the terms 'plant' or 'planted', as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

"Extent of Participation in Program

"SEC. 204. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 203 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and

give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

"Compensation of Producers"

"Sec. 205. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than one year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

"(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

"(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed \$750,000,000, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, \$375,000,000; cotton, \$300,000,000; corn in the commercial corn-producing area, \$300,000,000; other feed grains, \$175,000,000; peanuts, \$7,000,000; rice, \$23,000,000; and tobacco, \$45,000,000. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 204.

"Effect on Acreage Allotments and Quotas"

"Sec. 206. (a) In the future establishment of State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such

acreage had actually been devoted to the production of the commodity.

"(b) In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

"Subtitle B—Conservation reserve program"

"Terms and Conditions"

"Sec. 207. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

"(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

"(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

"(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

"(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 203 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

"(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

"(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

"(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

"(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

"(b) In return for such agreement by the producer the Secretary shall agree:

"(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

"(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

"(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

"(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within thirty days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such thirty-day period, the determination of the State committee made in accordance with regulations of the Secretary, shall be final and conclusive. If the producer within such thirty-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceeding, shall submit a report including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint, with the United States district court for the district in which the land covered by the contract is

located, within ninety days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination, within the ninety-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms 'county committee' and 'State committee' as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

"Conservation Reserve Goal

"SEC. 208. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carry-over. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

"(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

"(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop production regions of the country.

"Authorized Period of Contracts and Expenditures

"SEC. 209. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the five-year period 1956-1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

"(b) The period covered by any contract shall not exceed ten years, except that contracts for the establishment of tree cover may extend for fifteen years.

"(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including

the cost of materials and services, in excess of \$450,000,000 in any calendar year.

"Termination and Modification of Contracts

"SEC. 210. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

"(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

"Conservation Materials and Services

"SEC. 211. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

"(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

"Effect on Other Programs

"SEC. 212. Notwithstanding any other provision of law—

"(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

"(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

"Geographical Applicability

"SEC. 213. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term 'State' includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

"Subtitle C—General provisions

"Compliance With Acreage Allotments

"SEC. 214. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or fifteen acres, whichever is larger.

"Reapportionment Prohibited

"SEC. 215. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

"Certificate of Claimant

"SEC. 216. Subject to the provisions of section 205. (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

"Utilization of Local and State Committees

"SEC. 217. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

"Utilization of Other Agencies

"SEC. 218. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

"Utilization of Land Use Capability Data

"SEC. 219. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

"Financing

"SEC. 220. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit

Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

"(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

"Finality of Determinations

"SEC. 221. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

"Protection of Tenants and Sharecroppers

"SEC. 222. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

"Penalty for Grazing or Harvesting

"SEC. 223. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract

entered into under section 203 or 207 shall be subject to a civil penalty equal to 50 per centum of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

"Regulations

"SEC. 224. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

"Production on Government Lands Prohibited

"SEC. 225. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price-supported crops in surplus supply.

"Pooling of Conservation Reserve Land

"SEC. 226. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

"TITLE III—SURPLUS DISPOSAL

"Program of Orderly Liquidation

"SEC. 301. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

"(b) The Secretary shall submit to Congress within ninety days after the enactment of this Act detailed programs, with recommendations for any additional legislation needed to carry out such programs, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production, to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

"(1) the quantities of surplus commodities on hand;

"(2) the methods of disposition utilized and the quantities disposed of during the preceding twelve months;

"(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;

"(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and

"(5) recommendations for additional legislation necessary to accomplish the purposes of this section.

"Extra-Long Staple Cotton

"SEC. 302. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such

quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

"(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the date of enactment of this Act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

"Agreements Limiting Imports

"SEC. 303. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933), as amended.

"Appropriation To Supplement Section 32 Funds

"SEC. 304. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such \$500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

"Transfer of Bartered Materials To Supplemental Stockpile

"SEC. 305. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98-98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

"(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

"(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

"Surplus Disposal Administrator

"SEC. 306. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding \$15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, re-

lating to the disposal of surplus agricultural commodities as the Secretary may direct.

"Use of Voluntary Agencies and Shipping Subsidy for Merchant Marine"

"Sec. 307. That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

"(a) The first sentence of section 103 (a) is amended by striking out the word 'and' following the words 'handling costs,' and by inserting immediately before the period the following: 'and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended'.

"(b) Section 201 is amended by striking out 'f. o. b. vessels in United States ports,'.

"(c) The first sentence of section 203 is amended to read as follows: 'Not more than \$500,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title.' Section 203 is further amended by adding at the end of the section the following: 'Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President.'

"Commission To Recommend Legislation Providing for Increased Industrial Use of Agricultural Products"

"Sec. 308. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as 'the Commission'). The Commission shall be composed of five members, of whom not more than three shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

"(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

"(3) The Commission is authorized to appoint and fix the compensation without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

"(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

"(5) Service of an individual as a member of the Commission or employment of an in-

dividual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434 or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

"(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

"(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

"(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

"(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

"(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

"Donation to Penal and Correctional Institutions"

"Sec. 309. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal, penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

"Federal Irrigation, Drainage, and Flood-Control Projects"

"Sec. 310. (a) For a period of three years from the date of enactment of this Act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this Act.

"(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of three years from the date of enactment of this Act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any bene-

fits under the soil-bank provisions of this Act and under price support legislation.

"(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

"(d) For the purposes of this section the term 'Federal irrigation or drainage project' means any irrigation or drainage project subject to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

"Processing of Donated Food Commodities"

"Sec. 311. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: 'In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible.'

"TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS"

"Extension of Surrender and Reapportionment Provisions for Wheat Acreage Allotments"

"Sec. 401. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out '1955' wherever it appears in such subsection and inserting in lieu thereof '1955, 1956, or 1957'.

"Acreage Allotments for Cotton for 1957 and 1958"

"Sec. 402. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: 'Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956'.

"Cotton—Small Farm Allotments"

"Sec. 403. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: 'Provided, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional

acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1).

"(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: 'Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages).'

"(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period."

"(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: 'Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein.'

"(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve,

or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

"Minimum State Acreage Allotments for 1956 Rice Crop

"SEC. 404. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

"Increase in Peanut Marketing Penalties

"SEC. 405. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: 'The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 per centum of the support price for peanuts for the marketing year (August 1-July 31).'

"Collection of Peanut Marketing Penalties

"SEC. 406. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States."

"Preservation of Unused Acreage Allotments

"SEC. 407. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"Preservation of Unused Acreage Allotments

"SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage allotments are in effect for any commodity under this Act, the acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allot-

ment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

"Acreage Requirements for Price Support on Corn and Other Feed Grains

"SEC. 408. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

"(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

"(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

"(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 per centum of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 per centum of the farm base acreage established for such feed grains under section 203 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 per centum of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage

required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn produced in the commercial corn-producing area. Notwithstanding any other other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 per centum of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

"TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

"SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: 'Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates'; (2) by changing the designation of subtitle D thereof to read as follows: 'Subtitle F—Miscellaneous provisions and appropriations'; and (3) by inserting after subtitle C new subtitles D and E, as follows:

" 'Subtitle D—Domestic parity plan for wheat

" 'Legislative Findings

" 'SEC. 379a. Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced and consumed within the confines of any State is normally commingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of intrastate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

" 'Domestic Food Quota

" 'SEC. 379b. Not later than May 15 of each calendar year the Secretary shall determine and proclaim the domestic food quota for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

" 'Apportionment of Domestic Food Quota

" 'SEC. 379c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of total production of wheat in each State during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with

such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period. The reserve quota set aside herein for apportionment by the Secretary shall be used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat during the five calendar years immediately preceding the calendar year in which the quota is proclaimed.

" '(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 per centum thereof for apportionment as provided in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period.

" '(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the three calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of past acreage of wheat, the normal yield, crop rotation practices, type of soil, and topography. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of past acreage, if any, planted to wheat and the normal yield for such farm or the average of the county tillable acres, crop-rotation practices, type of soil, and topography.

" 'Marketing Certificates

" 'SEC. 379d. (a) Beginning with the first crop of wheat for which a marketing certificate program is placed in effect under section 379j, the Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the county domestic food quota. Such certificates shall be issued to cooperators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 379c of this Act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates to processors and importers in such quantities as are required by them in order to meet the requirements of subsections (a) and (b) of section 379e. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

" '(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 379b of this Act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price, (2) the estimated farm price for wheat, and (3) the value per bushel of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of each marketing certificate shall be computed to the nearest cent by multi-

plying the value per bushel by the number of bushels thereof. Except as otherwise provided herein, the value of the certificate so determined shall remain constant and shall remain in effect throughout the marketing year for which it is issued. The proclamation required by this subsection shall be made during the month of May immediately preceding the marketing year for which such domestic food quota is proclaimed.

" '(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

" 'Marketing Restrictions

" 'SEC. 379e. (a) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed, and except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person. The quantity of such marketing certificates acquired shall be equivalent to the number of bushels of wheat processed into food products.

" '(b) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed and except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person.

" '(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

" '(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

" '(e) As used in this section, (1) the term "marketing" means the sale and the delivery,

of the food product composed wholly or partly of wheat, and (2) the term "food" means human food.

"Conversion Factors

"SEC. 379f. The Secretary shall ascertain and establish conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

"Civil Penalties

"SEC. 379g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 379e of this Act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"Adjustments in Domestic Food Quotas

"SEC. 379h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic food quota for wheat is increased under this section, each farm quota for wheat shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 379d of this Act. In case any domestic food quota for wheat is suspended under this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 379d of this Act.

"Reports and Records

"SEC. 379i. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except wheat producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the Act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

"Referendum

"SEC. 379j. In any referendum held pursuant to section 336 of this Act on the national marketing quota proclaimed for any crop of wheat, the Secretary shall also submit on separate ballots the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program, the Secretary shall, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for that crop and subsequent wheat crops under the provisions of this subtitle, in which event marketing quotas and acreage allotments and the provisions of title III of this Act relat-

ing thereto, except as otherwise provided in this section, shall not thereafter be in effect for wheat: *Provided*, That, whenever a marketing certificate program is in effect, the wheat marketing quota provisions and penalties shall remain in effect with respect to prior crops of wheat in the same manner as if marketing quotas were in effect for the current crop of wheat, and the Secretary may, by regulation, prescribe the method for collecting penalties on any such wheat.

"Price Support

"SEC. 379k. Notwithstanding any other provision of law—

"(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

"(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement approved by the Congress or ratified by the Senate relating to wheat to which the United States is a party, (4) foreign trade policies of friendly wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

"(c) Compliance by the producer with acreage allotments may be prescribed and required by the Secretary as a condition of eligibility for price support and for the receipt of wheat marketing certificates. Acreage allotments shall be established in accordance with the provisions of subtitle B, part III of this Act.

"(d) Notwithstanding any other provision of law, no producer of wheat shall receive certificates for a number of bushels in excess of the number obtained by multiplying the acreage actually planted to wheat by the normal yield.

"(e) Any farmer who is dissatisfied with his farm acreage allotment may have such acreage allotment reviewed in accordance with the procedures prescribed by sections 363 to 368, inclusive, for reviewing marketing quotas.

"Subtitle E—Rice certificates

"Legislative Findings

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this Act.

"Effective Date and Termination

"SEC. 380b. The provisions of this subtitle, unless extended by law, shall apply only to the crops of rice harvested prior to 1958, and sections 380c through 380g (c) shall not be applicable to rice harvested before 1956. Notwithstanding any other provision of law, the national acreage allotment of rice for 1957 shall be not less than the national acreage allotment for 1956, including any acreage allotted under section 353 (c) (5) of this Act, and such 1957 national allotment shall

be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.

"Rice Primary Market Quota

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year, except that for the marketing year beginning in 1956 such determination and proclamation shall be made not later than thirty days after the enactment of the Agricultural Act of 1956. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"Apportionment of Primary Market Quota

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year. Notwithstanding the foregoing provisions of this subsection, the primary market quota for rice shall be apportioned by the Secretary among the several States for the marketing year beginning in 1956 on the basis of the 1955 production of rice in each State.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"Review of Primary Market Quota

"SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

"Price Support

"SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on the 1956 crop of rice at not less than 55 per centum or more than 90 per centum of the parity price of rice as of the beginning of the marketing year and on the 1957 and subsequent crops of rice at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of the 1956 and 1957 crops, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"Certificates

"SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"Inventory Adjustment Payments

"Sec. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of July 31, 1956, in amounts equal to the amount by which 80 per centum of the parity price of rice as of August 1, 1955, exceeds the support price for the 1956 crop of rice, multiplied by the quantities of such rough rice: *Provided, however,* That such payments shall not be made with respect to rice of the 1956 crop, imported rice, or rice acquired from Commodity Credit Corporation. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"Rice Set-Aside

"Sec. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the 1956 marketing year, not exceeding twenty million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"Exemptions

"Sec. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"Processing Restrictions

"Sec. 380k. (a) Each person who on or after August 1, 1956, engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection

(a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"Import Restrictions

"Sec. 380l. Each person who, on or after August 1, 1956, imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

"Regulations

"Sec. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"Civil Penalties

"Sec. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"Reports and Records

"Sec. 380o. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"Definitions

"Sec. 380p. For the purposes of this subtitle—

"(a) "cooperator" shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) "processing of rough rice" means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) "processed rice" means any rice from which the husk or hull has been removed and includes, but is not limited to—

- "(1) whole grain rice,
- "(2) second head milled rice,
- "(3) screenings milled rice,
- "(4) brewers milled rice,
- "(5) undermilled rice or unpolished rice,
- "(6) brown rice,
- "(7) converted rice, malekized rice or parboiled rice, and
- "(8) vitaminized rice or enriched rice.

"(d) "United States" means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) "exporter" means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) "rough rice equivalent" means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

"(g) "import" means to enter, or withdraw from warehouse, for consumption."

"Normal Yield for Rice

"Sec. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) "Normal yield" for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"(E) "Normal yield" for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such five-year period is less than 75 per centum of the average, 75 per centum of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such five-year period is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre."

"TITLE VI—FORESTRY PROVISIONS

"Assistance to States for Tree Planting and Reforestation

"Sec. 601. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than fifty million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

"(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

"(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: *Provided, That,* for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Fed-

eral Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

"(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

"(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

"(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
MILTON R. YOUNG,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

H. R. 12 passed the House on May 5, 1955. It consisted of 4 sections: (1) Establishing price supports for basic commodities at 90 percent of parity for the years 1955, 1956, and 1957; (2) establishing the support level for milk at 80 to 90 percent of parity; and (3) and (4) extending and providing additional funds for the special school milk program and the brucellosis eradication program. The Senate struck out all after the enacting clause of the House bill and inserted an amendment consisting of 62 sections comprising some 77 printed pages. The task facing the conferees of reconciling the differences between these two measures has been substantial, particularly since some of the more complicated provisions of the Senate amendment were adopted on the floor without the opportunity for testimony and explanation which takes place in the process of committee consideration.

The committee of conference has reworked the Senate amendment section by section and the bill reported herewith is the Senate amendment with numerous changes and amendments agreed upon by the conferees. The major provisions are: (1) price-support provisions for basic commodities, cottonseed and soybeans, milk, and feed grains; (2) restoration of "dual parity" for basic commodities; (3) authority for a "soil bank" program; (4) various provisions to assist in disposal of surplus commodities including authority to donate such commodities to Federal penal institutions and State penal institutions for minors, substantial additional appropriations to supplement "Section 32" operations, and a directive to the Secretary of Agriculture to study and report

promptly to Congress on other disposal programs, including a food stamp plan; (5) various provisions relating to acreage allotments and marketing quotas for commodities, chiefly designed to assist the small farm operator; (6) a domestic parity program for wheat and a "two-price" program for rice; and (7) authority for further assistance to States in forestry programs. Following is an explanation of the major provisions of the bill as reported herewith to the House.

Section 101. Price support levels on basic commodities

Establishes the support level for basic commodities at 90 percent of parity for the 1956 crop. The House bill provided support at 90 percent for 3 years. The Senate rejected the 90 percent support provisions but later significantly modified its action by adopting other provisions, including substantial additions to the "set-aside," which would have had the effect of requiring the Secretary to establish support prices close to the 90 percent level. Under the provisions of the Senate bill it was estimated that the Secretary would have been required to support the basic commodities at the following levels for 1956: tobacco 90 percent, wheat 85 percent, cotton 88 percent, corn 84 percent, rice 90 percent on domestic consumption and not less than 55 percent on the balance, and peanuts 90 percent.

The committee of conference was agreed that falling farm prices, coupled with rising production costs, have created a crisis in farm income that may well become a catastrophe unless strong and effective action is taken to bolster farm income in 1956. Rather than adopt any of the devious devices which have been proposed for raising the level of support prices by indirection (including the set-aside which has been so strongly condemned by the Secretary of Agriculture), the committee of conference agreed that the most effective way of accomplishing this purpose is the simple and straightforward procedure adopted in the conference report of establishing price support levels for the basic commodities at not less than 90 percent of parity for 1956.

Section 102. Price supports—Cottonseed and soybeans

Requires that when the price of either cottonseed or soybeans is supported the price of the other of these closely related crops shall be supported at a comparable level.

Section 103. Price supports—Manufacturing milk

Establishes the support level for milk at 80 to 90 percent of parity (instead of 75 to 90 percent as provided in existing law) and further provides that for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and price of butterfat shall be supported at not less than \$3.25 per hundredweight and 58.6 cents per pound, respectively. This provision replaces a complicated formula for establishing the parity equivalent for manufacturing milk which had been placed in the Senate amendment.

The price of \$3.25 per hundredweight for milk for manufacturing (3.95 percent butterfat) is 85 percent of the February 15, 1956, parity equivalent for milk for manufacturing. This is 10 cents per hundredweight higher than the \$3.15 support price announced by the Secretary of Agriculture on February 14, 1956. The \$3.15 support price is 82 percent of the February 15, 1956, parity equivalent for milk for manufacturing.

To accomplish this 10 cent per hundredweight increase in the price of milk for manufacturing by increasing the purchase price of butter would require an increase of 2 cents per pound in the price of butter, which is equivalent to 2.4 cents per pound in the price of butterfat. Adding this 2.4 cents to the 56.2 cents announced support price for butterfat in cream would result in a support

price of 58.6 cents per pound. This would be 82 percent of the parity price of butterfat in cream as compared with the February 14, 1956, announced level of 78 percent.

Although the committee amendment omits from the first sentence of section 201 (c) the words "and the products of such commodities", it does not change the present method of supporting milk and butterfat prices through "loans on, or purchases of, milk and the products of milk and butterfat" as provided in the second sentence of the subsection.

Section 104. Parity formula

Provides that the dual method of computing parity for the basic commodities (using both the old and the new parity formula) which has been in effect for the basics from 1949 until this year, is to be used henceforth. The section also recognizes the possibility of shortcomings in both of our existing methods of computing parity and directs the Secretary to make a thorough study of this subject and report thereon to Congress not later than January 31, 1957, with specific recommendations, including drafts of any necessary legislation, for the improvement of our parity system.

Section 105. Effective date

Makes all the foregoing provisions effective with 1956 crops.

TITLE II—SOIL BANK ACT (SECS. 201-227)

Title II comprises the Soil Bank Act. The provisions in the committee report are only slightly modified from those adopted by the Senate which are described in some detail in the committee report on S. 3183 (S. Rept. 1484) on pages 8 to 20. The provisions adopted by the Senate were, in turn, based upon and only slightly modified from the recommendations made by the Secretary of Agriculture.

The soil-bank program authorized in title II consists of two parts: The acreage-reserve program (secs. 203 to 206) and the conservation reserve program (secs. 207 to 214). Sections 215 to 227 are general provisions applying to either or both the conservation reserve and the acreage-reserve programs.

Sections 203-206. Acreage-reserve program

The acreage-reserve program is not a soil-conservation measure but a short-term program designed, to curtail production of specific commodities even below the anticipated production from allotment programs. It is authorized only for the 4 crop years 1956-59. It applies only to specified commodities: wheat, cotton, corn, peanuts, rice, most kinds of tobacco, and the feed grains (oats, rye, barley, grain sorghums, and corn grown in noncommercial corn areas).

The objective of the acreage-reserve program is to induce farmers to reduce their acreages below their allotments or base acreages and to make no other use of the land so retired. The farmer who thus curtails his production will be paid an amount roughly equivalent to his anticipated return from the land had he put it to its intended purpose.

A special provision inserted in the bill by the committee will make it possible for the farmer to participate in the 1956 program even though he may already have planted his 1956 crops or may have been prevented from planting his normal crops because of adverse weather conditions. This latter provision was inserted in order to care for the condition which now exists in a vast area, particularly in the Southwest, where drought has prevented normal planting operations, and it is intended that the farmer who has not been able to plant and has not, therefore, planted will, nonetheless, be allowed to participate in the acreage reserve for 1956.

In general, the rate of payment will be approximately 50 percent of the price support for that quantity of the commodity which

would normally be produced on the land placed into the acreage reserve. The specific rate of payment will, of course, vary from commodity to commodity and in different areas, but will be required to be in such amounts as will make the program attractive to farmers. Payment will be made in negotiable certificates redeemable in cash by the Commodity Credit Corporation or, in the case of grains, redeemable in grain at the option of the producer.

The committee proved that in case of unusual weather conditions resulting from either drought, flood, hail, wind, or other natural causes, the Secretary should make adjustments in calculating the normal yield for each farm. The committee was informed by representatives of the Department that the practice would be to eliminate the record of years of abnormally low production in calculating the normal yield for the farm for soil-bank-payment purposes, as well as in the calculation of acreage history of the farm for the determination of acreage allotment or farm base acreage.

The total amount which may be expended on the acreage-reserve program in any one year is \$750,000,000. To assure a fair division of funds between the various commodities, the committee has also established maximums for the separate crops: Wheat, \$375,000,000; corn, \$300,000,000; cotton, \$300,000,000; tobacco, \$45,000,000; rice, \$23,000,000; peanuts, \$7,000,000; and feed grains, \$175,000,000. The individual commodity limitations add up to more than the overall limit of \$750,000,000 in order to permit adjustment of commodity programs to meet operating conditions but to not have the effect of increasing the overall limitation of \$750,000,000. The conferees struck out of the Senate amendment a provision which would have limited payments to any one producer to not to exceed \$25,000. Also eliminated from the Senate amendment was a provision which would have denied all price supports to a producer who did not participate in the acreage reserve.

The amount of acreage a producer will be permitted to put into the conservation reserve will vary by commodities but generally the program as tentatively formulated by the Department of Agriculture will permit farmers with small acreage allotments to put their entire allotment into the acreage reserve while those with larger allotments will be limited to a maximum percentage of their allotment. For example, a producer with a grain allotment would be permitted to put into the reserve 50 acres or 50 percent of his allotment, whichever is larger. Thus, any farmer with a grain allotment of less than 50 acres could place his entire allotment in the acreage reserve if he chose to do so. In addition, there is nothing in the legislation herewith reported which would prevent a small farmer from putting his maximum allowable acreage in the acreage reserve and then placing the balance of his land in the conservation reserve, providing regulations of the Secretary permit such action.

Preliminary and still tentative estimates of the payments per acre for the various crops or acreage put into the acreage reserve are as follows: Cotton, \$48-\$60; wheat, \$18-\$25; corn, \$36-\$50; rice, \$60-\$75; peanuts, \$50-\$70; tobacco, \$100-\$300; and feed grains, \$15-\$50. It should be emphasized that these figures are not only tentative, they are national average figures based upon the national average yield per acre of the various crops. The rate of payment an individual farmer can expect will be based not only upon these national average figures but upon the normal yield per acre of the land he is placing into the conservation reserve and other local factors. The two basic principles with respect to payment are: (1) That the rate of payment should generally reflect the

actual net income the farmer might expect to receive from the acreage had he planted it to the allotted crop and (2) that rates of payment are to be attractive enough to encourage farmers to place substantial acreages into the acreage reserve and thereby curtail production below national allotments and marketing quotas.

At the request of the committee of conference the Department of Agriculture has made available its latest administrative memorandum on this matter, now being used as the basis for further consultation with State and county committees. The memorandum is printed herewith as appendix A.

Sections 207-214. Conservation reserve program

The conservation reserve program (secs. 207-214) is designed to take out of the production of crops and put into a conservation status on a semipermanent basis specified acreages of land. Croplands, including lands now being devoted to such soil-conserving crops as tame hay, alfalfa, and clover, are eligible for the conservation reserve. Section 207 (a) (2) of the Senate amendment would have required a producer putting such soil-conserving croplands into the conservation reserve to increase the acreage devoted to soil-conserving crops or left idle on his remaining land to that previously devoted to soil-conserving crops or left idle on the entire farm. The conference substitute would change this to require the producer to devote to soil-conserving crops or idleness only an acreage of his remaining land equal to that previously devoted to soil-conserving crops or left idle on such remaining land. Thus a producer who normally had 100 acres of tame hay and 10 acres each of oats and barley could put 40 acres of tame hay land into the conservation reserve without being required to reduce his acreage of oats or barley. He would be required to maintain in soil-conserving crops or leave idle that acreage of his land outside the conservation reserve which had previously been devoted to soil-conserving crops or left idle (namely, 60 acres), but he would not be required to increase such acreage by reason of having put 40 acres of tame hay into the conservation reserve.

The program would be carried out on the basis of contracts entered into between the Secretary of Agriculture and the producer. Contract periods would be for not less than 3 years nor more than 10 (except for forestation areas where the period could run for 15 years). In return for the producer agreeing, among other things, not to harvest any crop nor graze the land in the conservation reserve, the Secretary would pay a large part (estimated at approximately 80 percent) of the cost of establishing conservation practices on the land and would pay thereafter an annual amount to the producer roughly equivalent to the rental value of the land.

The total amount of expenditures for the conservation program in any one year is limited to \$450,000,000, including the materials and services provided to assist farmers in establishing conservation practices on the land put into the reserve. A provision in the Senate bill which would have limited payments in any year to any producer to not more than \$7,500 was removed from the bill by the conference.

Sections 215-227. General provisions

Sections 215-227 contain general provisions relating to the soil-bank program. These provide: (1) No person will be eligible for soil-bank payments in any year in which he exceeds his farm-acreage allotment for any commodity; (2) a prohibition against the reapportionment to any other producer of acreage placed in the acreage reserve or conservation reserve; (3) authority for the Secretary to make payments under the program upon satisfactory proof by the producer

that he has complied with his part of the contract; (4) the requirement that in carrying out the program the Secretary make use of local and state ASC committees, other appropriate state and federal agencies, and of the land use capability data developed by the Soil Conservation Service; (5) the provision that until July 1, 1957, the funds of the Commodity Credit Corporation may be used for carrying out the soil-bank program but that after that date such funds must come from regular appropriations. This provision does not limit the authority elsewhere conferred for the Secretary to make contracts under the soil-bank program for periods of more than 1 year.

Special provisions

In its endeavor to make the soil-bank program not only practical and successful from the standpoint of conservation and surplus reduction but also one which will be outstandingly fair and equitable to all who participate in it the committee of conference has made a number of changes, amendments, deletions, and additions of special provisions relating to the soil-bank program. Some of these which deserve special mention are:

Protection of tenants and sharecroppers: No single problem connected with the proposed soil bank has caused the committee more concern than that of guaranteeing adequate protection of tenants and sharecroppers under the program. Several provisions referring to tenants and sharecroppers and intended to protect their interests, while at the same time safeguarding the interests of landlords, were scattered throughout the soil-bank portion of the Senate bill. After the most careful consideration, the committee considered them inadequate to afford the protection desired. The committee tried for many hours to devise a specific formula or direction to the Secretary of Agriculture covering the landlord-tenant-sharecropper relationship which would assure by specific legal provision fair treatment of all concerned. It realizes, however, that these relationships are so different in various types of farming areas and in different geographic locations, and even from one farm to the next in the same area, that it is probably impossible to write into the law a formula for equitable sharing in benefits under the soil bank act which will work fairly in all the multitude of individual relationships of this type which exist.

After the most thorough consideration, therefore, the committee of conference reached the conclusion that the safest way to guarantee fair treatment of all participants in the soil bank program is to put into the law the general rules on which the division of benefits under this act is to be made, to require that each landlord in applying for participation in the program stipulate in detail how he proposes to share the benefits with his tenants or sharecroppers, and to require the county committee made up of farmers who are thoroughly familiar with local conditions to approve the proposed division of benefits before the farmer will be permitted to participate in the program. The stipulated and approved proposal for dividing the benefits will then be made a part of the contract and failure or refusal to carry out that provision would subject the producer to the penalties provided by the act.

Forfeiture of price supports benefits: The committee has stricken from the bill language appearing in two sections of the soil-bank title which would have authorized the Secretary to require forfeiture of all price-support benefits for violation of a soil-bank contract. This was a provision desired chiefly by livestock producers as a protection against a farmer placing land into the soil bank, receiving his payment therefor, and then using the land for grazing purposes.

The committee recognizes the problem faced by the livestock industry. Under the

soil bank program, it is likely that millions of acres now in crops will be put into grass. The contract signed by the producer placing his acreage into the soil bank will prohibit the using of this land for grazing except under emergency conditions and with the permission of the Secretary of Agriculture. Recognizing both that payments for participation in the soil bank probably cannot and should not be deferred until a full year's compliance can be checked, but also that after a farmer has received his payment and the grass on his regular pastures becomes short there will be a substantial temptation to put livestock on the soil-bank acreage in violation of the contract, the committee of conference still believes that the penalty provided in the Senate bill of forfeiture of all benefits under the price support programs is unduly excessive.

Instead, it urges the Secretary of Agriculture to utilize the very adequate legal provisions relating to contract violation which remain in the bill, including the additional penalty of 50 percent which was added by the conference committee, to deal quickly and effectively with violators of soil-bank contracts and not to hesitate to resort to court action to enforce the penalties provided by the bill whenever that action seems justified. In addition, administrative regulations should provide as much certainty as is possible that the contract conditions have been and will continue to be adhered to before any payment for performance is made.

Appeal of terminated contract: The committee was not satisfied with the provisions in the bill relating to the right and the procedure of appeal by a producer from a decision by the Secretary terminating a soil-bank contract. The committee has completely rewritten this provision (sec. 207 (d)). As reported herewith it provides that where the State committee believes there has been a violation which would warrant termination of contract, the producer must be given written notice thereof by registered mail, and the producer will have the right within 30 days to appear at an informal proceeding before the county ASC committee to show cause why his contract should not be terminated. At the conclusion of such hearing the county committee will submit a report to the State committee and the producer has the right to appear before the State committee in connection with its determination of the issue.

The State committee must give the producer written notice of its decision in the matter and if the producer feels aggrieved he has the right of immediate appeal to the United States district court and for a trial de novo of the issue before such court.

Voluntary participation: Stricken from the bill is section 226 of the Senate amendment which would have required participation in the soil bank as a condition of eligibility for price support. The committee felt that the soil-bank program and the regular price support program, while they supplement and complement each other, are separate and distinct programs and that no new condition of eligibility for price support (except as to those commodities for which new price support programs directly related to the soil bank are set up in the bill) should be imposed by the soil-bank program.

The soil-bank provisions require that to be eligible for payment under the program a producer must be in compliance with all acreage allotments. In addition, each of the allotment and marketing quota programs carries its own penalty for failure to comply. Removal of section 226 from the bill will make the soil bank a strictly voluntary program, as recommended by the Secretary of Agriculture.

Tree seedlings: In section 211 the Secretary is authorized to "purchase or produce" conservation materials. The word "produce"

is retained in the section for the single purpose of permitting the Department of Agriculture to grow seedling trees for reforestation purposes—and then only to the extent of utilizing existing departmental nursery facilities—or to supply a definite deficiency that cannot be filled by private nurseries. It is not the intention of the committee to put the Department into the seedling producing business, but rather, that seedlings for the soil-bank program should be purchased from private sources to the full extent that such sources are capable of meeting the demand at competitive prices.

Production on Government-owned lands: Section 225 would have prohibited the leasing hereafter, or the renewal or extension of any existing lease, for the production on Government-owned lands of any agricultural commodity determined by the Secretary of Agriculture to be in surplus supply. As enacted by the Senate the provisions of the section would have been extremely difficult to administer and would have required of the Secretary a separate determination as to the surplus position of each agricultural commodity.

It is the understanding of the committee that the President has received or is about to receive from a committee appointed by him the report on a thorough study of this problem with recommendations as to its solution. In place of the language in the Senate bill, therefore, the language adopted by the conferees directs the President to carry out a policy of restricting, insofar as practicable, the leasing of such lands for the production of price-supported crops in surplus supply.

TITLE III—SURPLUS DISPOSAL

Section 301. Program of orderly liquidation

Requires the Commodity Credit Corporation to use its existing authority to dispose as rapidly as possible of all stocks of agricultural commodities held by it. Requires the Secretary to submit a detailed program for such disposal and also for preventing the future accumulation of surpluses in the hands of CCC by adoption of a food-stamp plan or similar program, and also for strategic stockpiling of foodstuffs and other agricultural products both inside and outside the United States. These reports are to be made within 90 days after enactment of the act and to include specific legislative recommendations for their accomplishment.

Section 302. Extra long staple cotton

Subsection (a) as passed by the Senate provides that the existing import quota on extra long staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall, hereafter, cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{1}{16}$ inches and longer to bring such cotton back within the quota.

The import of cotton having a staple length of $1\frac{1}{16}$ inches and longer has increased from a level of about 7,000 bales in 1951 to an estimated 16,000 bales in 1955. During this same period, stocks of United States grown extra long staple have increased about 7 times. Any imports of extra long staple cotton above the established quota necessarily materially interferes with and tends to render ineffective the price-support program for United States grown extra long staple cotton.

This section was amended by the committee of conference to require that provision be made for the type of cotton being brought within the existing quota and that dates for the quota year conform to normal marketing practices. The present quota year (February 1 to January 31) conforms to the harvest and marketing season of the cotton now subject to quota control. Cotton stapling $1\frac{1}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early

fall. If the quota were filled at that time, importers of such cotton could not enter any such cotton into the United States until the next quota year. The amendment will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) is the same as it was in the Senate bill except for a clarifying amendment. As amended, this section directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra long staple cotton. These stocks currently amount to about 100,000 bales. The program directed by this section, together with the continued offering of any CCC cotton for domestic use in accordance with the provisions of section 407 of the Agricultural Adjustment Act of 1949, as amended, will enable the Commodity Credit Corporation within a relatively few years to move its stocks of this type of cotton into consumption in an orderly manner.

Section 303. Agreements limiting imports

Authorizes the President, whenever he determines such action appropriate, to negotiate with foreign countries in an effort to obtain agreements to limit the export from any such country and the importation into the United States of any agricultural commodity (including, as does sec. 22 of the Agricultural Adjustment Act of 1933, as amended, products of agricultural commodities such as flour, dairy products, textile products, and other products manufactured or processed from agricultural commodities). In order to carry out any such agreement which may be entered into, the President is authorized to issue such regulations governing the importation of such articles as may be required or appropriate to carry out the arrangements made with such countries to prevent increases in imports of such commodities or products.

This section is desirable in view of section 302, which directs the disposal of stocks of agricultural commodities held by the Commodity Credit Corporation, and of the general policies of the Department of Agriculture under which surplus agricultural commodities are made available in world markets at competitive prices which are generally below domestic price levels.

Unless there is some limitation on imports of products manufactured abroad from our surpluses, the sales program may well defeat its own purpose of expanding the total market for our agricultural products. It is the belief of the committee that this objective frequently can be accomplished through friendly negotiations, rather than taking recourse in the first instance under section 22 of the Agricultural Adjustment Act of 1933, as amended. However, if it develops that the desired objective cannot be accomplished through negotiations, then it is the belief of the committee that appropriate action should be taken under section 22 of the Agricultural Adjustment Act of 1933, as amended. This section makes it clear that the authority conferred does not in any way limit or restrict the use of section 22.

Section 304. Appropriation to supplement section 32 funds

Authorizes the appropriation annually, beginning July 1, 1956, of not to exceed \$500,000,000 to supplement operations under section 32, Public Law 320, 74th Congress, of which not to exceed 50 percent could be used for any one commodity or the products thereof.

Section 305. Transfer of bartered materials to supplemental stockpile

Directs the transfer to the supplemental stockpile of strategic materials acquired by CCC as the result of barter or exchange of agricultural products.

Section 306. Surplus Disposal Administrator

Authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture at an annual salary not exceeding \$15,000. It is the understanding of the committee that the Secretary now has a capable Administrator doing this job—without benefit of the title here conferred. It is the committee's hope that, with this ratification of such policy, it will be further implemented by appointment of topflight assistants to the Administrator to deal with problem commodities, specifically cotton and wheat.

Section 307. Use of voluntary agencies and shipping subsidy for merchant marine

Increases from \$300,000,000 to \$500,000,000 the limitation on operations under title II of Public Law 480, 83d Congress. Also authorizes the payment of ocean freight from CCC funds for commodities shipped under title II and also for commodities made available under section 416 of the Agricultural Act of 1949, if the President finds that payment of ocean freight is necessary to accomplish the purposes of these acts.

Section 308. Commission to recommend legislation providing for increased industrial use of agricultural products

Establishes a five-member bipartisan commission appointed by the President to prepare and present to Congress not later than June 15, 1957, recommendations to bring about the greatest practical use for industrial purposes of agricultural products. Authorizes appropriation of \$150,000 for the expenses of the commission.

Section 309. Donation to penal and correctional institutions

Authorizes donation of surplus food commodities to Federal penal and correctional institutions and to State reformatories and other correctional institutions for minors.

Section 310. Federal irrigation, drainage, and flood-control projects

Prohibits for a period of 3 years from the date of the act, payment of "any crop loans or Federal farm payments or benefits" on any agricultural commodity declared by the Secretary to be in surplus supply if grown on any newly irrigated or newly drained lands within any Federal irrigation or drainage project hereafter authorized. It is to be emphasized that this provision applies only to projects "hereafter" authorized, continues only for a period of 3 years, and does not apply to any lands "used for the production of such commodity" before the enactment of this provision. It will not, therefore, apply to any irrigation or drainage projects on which price-supported crops are presently being grown.

Section 311. Processing of donated food commodities

Authorizes the Commodity Credit Corporation to pay the cost of processing into a form suitable for home consumption commodities donated under section 416 of the Agricultural Act of 1949. Present authority extends only to "reprocessing," which does not include such operations as the grinding of grain into meal or flour. CCC is authorized to carry out such operations now only in connection with the special relief programs authorized by Public Law 311, 84th Congress.

TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS**Section 401. Extension of surrender and reapportionment provisions for wheat acreage allotments**

Extends for the crop years 1956 and 1957 authority for the voluntary surrender and reapportionment of wheat acreage allotments.

Section 402. Acreage allotments for cotton for 1957 and 1958

Provides that the national marketing quota for cotton for the 1957 and 1958 crops shall

not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956.

Section 403. Cotton—small farm allotments

Establishes for the years 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller. The 100,000 acres would be in addition to the national acreage allotment and would not be taken into consideration in establishing future State acreage allotments. In addition, a provision added by the conference committee promises some relief for small farmers in 1956 by authorizing the Secretary to allot in each State acreage which is underplanted and not placed in the soil bank or considered planted by virtue of notification to the county committee, for the purpose of increasing small farm allotments in 1956 to 4 acres or the highest acreage planted in the past 3 years, whichever is smaller.

Section 404. Minimum State acreage allotments for 1956 rice crop

Provides each State with a minimum allotment of rice for 1956 equal to 85 percent of the final allotment established for such State for 1955.

Section 405. Increase in peanut marketing penalties

Beginning with the 1956 crop, establishes peanut marketing penalties at 75 percent of the support price instead of 50 percent under present provisions of law.

Section 406. Collection of peanut marketing penalties

Provides for interest at 6 percent a year on peanut marketing penalties from the date when due until the date of payment and for a lien on any crop of peanuts subject to marketing quotas in which the person liable for the payment of penalty has an interest, until the penalty is paid.

Section 407. Preservation of unused acreage allotments

Provides that beginning in 1956 any producer may underplant an acreage allotment but maintain his history as though the full allotment had been planted, if he makes proper notification to the county committee of his desire to retain his acreage history. The exception would not be granted to any farm on which no acreage of the commodity was planted for 4 successive years or if done to avoid penalties. The acreage not planted could not be reallocated to any other farm.

Sections 408 (a), (b), (c). Corn

No substantial change has been made in the provisions relating to price supports for corn as adopted on the Senate floor. The provisions in this section, together with other correlative provisions of the bill, would make corn acreage allotments inoperative for 1956 and substitute in lieu of the national acreage allotment of 43,281,000 acres a "base acreage" for corn totaling 51,000,000 acres nationally.

To become eligible for price supports under this new program, a corn producer would be required to devote an acreage equal to 15 percent of his farm base acreage for corn to the acreage reserve or the conservation reserve program. By underplanting his corn base acreage 15 percent and placing that land in the acreage reserve, the producer would become eligible for an acreage reserve payment at the corn rate. By planting not to exceed his base acreage in corn and placing an amount of land equivalent to 15 percent of that base acreage in the conservation reserve, he would become eligible for a conservation reserve payment.

Not later than December 15, 1956, the Secretary is directed to conduct a referendum among corn producers in the commercial producing area to determine whether they favor

continuation of corn acreage allotments and price supports under section 101 of the Agricultural Act of 1949, or no acreage allotments and price supports "at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn." The decision reached in the referendum would be effective for 1957 and subsequent years.

Section 408 (d). Feed grains

In lieu of the provisions in the Senate bill relating to feed grains the committee of conference has set up an entirely new provision relating to price supports for feed grains and their inclusion in the soil bank program. The new program has the following major features:

(1) In noncommercial corn areas corn will be classified as a feed grain along with oats, rye, barley, and grain sorghum. In commercial corn areas the feed grains will consist of the customary four small grains.

(2) A base acreage allotment for feed grains will be established for each farm. In 1956 this allotment will be the average acreage devoted to feed grains on the farm in the 3 years 1953–55. Thereafter a national base acreage allotment will be determined on the basis of the 1953–55 national acreages of these grains, and this will be allotted to States, counties, and farms in the usual manner of distributing acreage allotments. The apportionment of the county base acreage for feed grains to farms on the basis of past acreage, crop rotation, tillable acreage, type of soil, and topography would be on the basis of the same factors now provided in the establishment of individual farm wheat-acreage allotments. Under this language, any year in which the acreage for a farm is low because of abnormal weather conditions, the acreage for such year would be eliminated from the historic average since the actual acreage planted was below the acreage which would have been planted under the crop-rotation system followed on the farm.

(3) For each year in which there is an acreage reserve program in effect for corn in the commercial corn area, feed grains will be entitled to support on the following basis: Corn grown outside the commercial corn area, 85 percent of the level of price support for corn grown in the commercial area; grain sorghum, barley, rye, and oats, a percentage of the parity for each commodity which is 5 percentage points of parity less than the percentage of parity at which corn is supported in the commercial corn-producing area.

(4) In order to be eligible for such price supports on feed grains, the producer would be required to devote not less than 15 percent of his base acreage to either the acreage reserve program or the conservation reserve, and not to plant a total acreage of feed grains in excess of 85 percent of his base acreage. For 1956, however, producers may remain eligible for the price supports heretofore announced, even if they do not participate in this manner in the soil-bank program and thus become eligible for the higher level price supports provided by this section.

TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE**Section 501. Wheat marketing certificates**

This section provides for a domestic parity plan for wheat almost identical with that which has previously been approved by the House. Producers would receive 100 percent of parity for their share of the wheat crop which is domestically consumed for food and substantially the world price for the balance of their production. Stability of market prices would be assured by a low level loan rate geared primarily to the support level of feed grains and to world market conditions.

Acreage allotments may be continued, and eligibility for domestic marketing certificates

would be conditioned both upon compliance with acreage allotments and upon the planting of an acreage of wheat sufficient to fill the producer's domestic quota at normal yields. If acreage allotments are prescribed, they shall be in the amounts and determined in the manner provided by title III of the Agricultural Adjustment Act of 1938, as amended. The plan would automatically take care of producers who do not ordinarily grow wheat for sale but rather for use as feed. Any such producers would be permitted to grow any quantity of wheat without penalty.

The program would be self-financing. Processors and importers would be required to purchase certificates for the difference between the domestic parity and the established market price of wheat processed or imported by them, and refunds would be made upon the exportation of wheat products. The amounts collected from processors and importers would offset almost identically the amounts paid to producers.

The bill provides that the new program will not go into effect at once but will be the subject of a referendum among wheat-growers whenever referendums are held in the future on marketing quotas. The first such referendum will be held early next summer. If wheat producers vote, in any such referendum, by more than two-thirds in favor of the domestic parity plan, the program will automatically go into effect in place of the present system of acreage allotments, marketing quotas, and price supports by loan and purchase programs.

Section 501. Rice—primary marketing certificates

Section 501 (which makes extensive amendments to the Agricultural Act of 1938, as amended) also establishes a two-price plan for rice quite similar to that authorized for wheat. Unlike the wheat plan, which calls for a referendum, the rice program would be put into operation in 1956 but would apply only to rice harvested "prior to 1958."

Under this plan, rice producers would be given a primary market quota. Such quota would be based upon the consumption of processed rice in the United States plus the quantity exported to Cuba. The support level for rice would be established for 1956 at 55 to 90 percent of parity and thereafter at 50 to 90 percent of parity, with the Secretary being directed to establish the support price at a level which would not discourage the exportation of rice produced in the United States.

At the beginning of each marketing year rice producers would be issued certificates for the quantity of rice equal to the primary market quota for the farm. The value of such certificates would be the difference between the support level for rice and 90 percent of parity. Processors of rice in the United States would be required to acquire certificates in an amount sufficient to cover the quantity of rough rice processed. Certificates would also be required for the importation of rice. Upon the exportation of processed rice to any country other than Cuba, processors would receive a refund on an equivalent quantity of certificates. This program, like the two-price plan for wheat, would be essentially self-financing since the sale of certificates to processors would substantially cover payments to producers.

The section provides for inventory adjustments to persons owning rice in the United States on the date the program becomes effective, so that they will neither gain nor lose from the anticipated change in general market prices of rice on that date.

Section 502. Normal yield for rice

Establishes new criteria for determining the normal yield for rice for counties and farms. The calculation is to be based on a

five-year period adjusted for abnormal weather conditions and trends in yield.

TITLE VI—FORESTRY PROVISIONS

Section 601. Assistance to States for tree planting and reforestation

This section authorizes additional cooperative activity between the Department of Agriculture and the States in tree planting and reforestation. Upon presentation by the proper State official the Secretary is authorized to approve a plan for tree planting and reforestation within the State and thereafter to cooperate technically and financially in such program. With respect to parts of the program carried out on non-Federal lands, the Federal financial contribution cannot exceed that of the State toward the same program. The Secretary is directed to cooperate with other Federal agencies and with the appropriate State forester in approving and carrying out such plans.

DELETIONS FROM SENATE BILL

Several sections appearing in the Senate amendment have been deleted by the committee of conference. Among them are the following:

Standard grade for cotton (sec. 103 of Senate bill)

The Senate committee bill contained a provision changing the standard grade for cotton. The committee of conference eliminated this provision from the bill. In considering these standards for cotton the committee was aware of the past practice of the Commodity Credit Corporation of refusing to make the differentials in loan values on spotted cotton which are customarily made by the cotton trade. Specifically, the trade recognizes a very wide differential in value between light and heavy spotted cotton. Most cotton buyers will at all times pay substantially more for light spots than for heavy spots. In some cases this differential amounts to as much as \$15 or \$20 per bale. By contrast, the CCC has consistently recognized no differential between light and heavy spots and has made their loans on all spotted cotton on the basis of heavy spots. The committee understands that the Department of Agriculture and the Commodity Credit Corporation now have the power to make the same differential in commodity credit loans which are normally made by the cotton trade. It is the opinion of the committee that the Department should exercise this power.

Processor certificates (sec. 108 of Senate bill): This section would have required the Secretary of Agriculture to obtain from processors of agricultural commodities purchased for price support or surplus removal certificates stating that producers had received not less than the support price for the raw commodities. It would have applied to funds used "regardless of the source" and would thus have applied to section 32 operations as well as to the regular price-support programs.

Many of these operations are carried out on a bid and purchase basis under conditions where it would be virtually impossible for the processor to certify as to the price paid for the particular products being bought by the Government. It would have rendered virtually impossible most of the operations now being carried out with section 32 funds and many of the regular price-support operations.

The committee believes that the present provision of law (sec. 401 (e) of the Agricultural Act of 1949) is adequate if applied with the utmost diligence by the Secretary. The committee is not certain that it has always been applied in this manner but urges that the Secretary utilize this existing authority to the fullest. In this connection, it also urges that where these operations are carried out purchases or loans not be confined to only certain grades of products but that, to the

fullest extent practicable, they be made available on all usual grades.

Reestablishment of United States share of world cotton market (sec. 303 of Senate bill): Directed the Commodity Credit Corporation to use its existing powers and authorities to encourage the sales for export at competitive world prices of such quantities of cotton as well establish and maintain the fair historical share of the world market for United States cotton. The volume to be sold was to be determined by the Secretary of Agriculture. The section further provided that export sales for foreign currency under section 102 of Public Law 480 be made at competitive world prices.

The Secretary of Agriculture already has ample authority to accomplish the purposes of section 303. Furthermore, the Department of Agriculture announced on February 28, 1956, that cotton will be sold for export after July 31, 1956, on a competitive bid basis. The committee of conference is gratified that action has been taken to inaugurate what it hopes will be a stable and consistent sales program. This section was deleted with the understanding that the Secretary of Agriculture would use such methods as are necessary to achieve the purposes of section 303 and meet his announced goal of exporting at least 5,000,000 bales of cotton annually.

Study of meat grading system (sec. 701 of Senate bill): This section was eliminated from the bill not because the conferees do not agree that the existing system and theories of meat grading require study and review, but because ample authority exists in present law for such a study by the Secretary of Agriculture.

In recent years there have been numerous questions raised about the present system of meat grading—both as it affects livestock producers and as it may affect marketing and distribution systems and consumer buying habits. The Secretary has ample authority to study and examine the meat grading system both under his general authorities and under such specific statutes as the Research and Marketing Act of 1946. The committee recognizes the value of the meat grading system and anticipates its continuation. If it can be improved, however, the Secretary should make such study as he determines necessary and suggests such changes as he finds desirable.

APPENDIX A

PLANS FOR IMPLEMENTING THE SOIL BANK (TENTATIVE)

(Based on H. R. 12)

The season for 1956 crops is so far advanced that the acreage reserve program will not be fully effective.

I. Acreage reserve—objective: Reduction of acreage of designated crops on a voluntary basis

A. Establishment of Normal Yields to Serve as a Basis of Payment

1. Operating procedure:

(a) Use check yields during 1951–55 as a base except for wheat which will be for 1945–54 period. Adjustments will be made for abnormal years.

(b) Establish county check yields on basis of (a) above. In the case of tobacco and peanuts, actual farm yield will be used where available.

(c) County committeemen determine normal yields for community (these should weight out to county normal yields).

(d) Community committeemen may aid the county committee in establishing a normal yield rating for each farm in the community which grows the designated crops. Each such farm will be placed in one of several yield rating categories, ranging above and below the community average. Adjustment procedures may be necessary to bring farm yield into balance with county average.

(e) Individual farmers will then be invited to offer a part of their acreage of the designated crops for the acreage reserve. Such land should be equal in productivity to land used for the allotment crop on their farms. The county committee can then quote them a dollar figure per acre for typical land to be set aside for the acreage reserve for these designated crops for their farm. If the designated land is found to be below average, a lower per acre payment will be made. With the exception of the first year,

farmers should indicate their intention to participate prior to planting time.

(f) No crop may be harvested or grazed from reserve acres, except that the Secretary may permit grazing under certain emergency conditions.

B. Preliminary Incentive Rates for the Acreage Reserve Program

1. Possible incentive payment rates: The extent to which these rates need to be varied according to quality, location, and other factors is still under study. (These following figures are preliminary.)

Commodity	Unit	Payments based on H. R. 12				
		Support rate ¹	Rate as percent of 1956 support			
			35	50	60	70
Wheat.....	Bushel.....	\$2.27	\$0.79	\$1.14	\$1.36	\$1.59
Cotton.....	Pound.....	.3181	.1113	.1590	.1909	.2227
Rice.....	Hundredweight.....	4.90	1.71	2.45	2.94	3.43
Corn (commercial area).....	Bushel.....	1.65	.58	.82	.99	1.14
Corn (noncommercial area).....	Bushel.....	² 1.40	.49	.70	.84	.98
Oats.....	Bushel.....	.72	.25	.36	.43	.50
Barley.....	Bushel.....	1.13	.40	.56	.68	.79
Rye.....	Bushel.....	1.41	.49	.70	.85	.99
Grain sorghum.....	Hundredweight.....	2.18	.76	1.09	1.31	1.53
Peanuts.....	Pound.....	.123	.043	.062	.074	.086
Tobacco:						
Flue-cured (11-14).....	Pound.....	.482	.169	.241	.289	.337
Fire-cured (21-24).....	Pound.....	³ .354	.124	.177	.212	.248
Burley (31).....	Pound.....	.472	.165	.236	.283	.330
Maryland (32).....	Pound.....	.476	.167	.238	.286	.333
Dark air-cured (35-36).....	Pound.....	⁴ .315	.110	.158	.189	.220
Sun-cured (37).....	Pound.....	⁴ .315	.110	.158	.189	.220
Cigar types: ⁵						
42-44.....	Pound.....	.230	.081	.115	.138	.161
51.....	Pound.....	.516	.181	.258	.310	.361
52.....	Pound.....	.483	.169	.242	.290	.338
54.....	Pound.....	.226	.079	.113	.136	.158
55.....	Pound.....	.290	.101	.145	.174	.203

¹ 90 percent of "old" or "new" parity, whichever is higher as of Mar. 15, 1956, except feed grains and corn in the noncommercial area.

² 85 percent of the rate in the commercial area or about 76.5 percent of old parity.

³ Three-fourths of burley support rate.

⁴ Two-thirds of burley support rate.

⁵ Preliminary estimate as parity is computed for groups 42-44, 51-5.

2. Maximum and minimum participation:

(a) Maximum:

Grain: 50 acres or 50 percent of allotment, whichever is larger.

Cotton and peanuts: 10 acres or 50 percent of allotment, whichever is larger.

Tobacco: 5 acres or 50 percent of allotment, whichever is larger.

(b) Minimum:

Grain: 5 acres or allotment, whichever is smaller.

Cotton and peanuts: 2 acres or allotment, whichever is smaller.

Tobacco: 1 acre or allotment, whichever is smaller.

C. Participation and Cost on a National Basis (Highly Tentative)

	Acres which might come in	National average check yield per acre	Approximate cost per acre ¹	Total cost
	(Millions)		(Dollars)	(Million dollars)
Cotton.....	3-5	303 pounds.....	48-60	145-300
Wheat ²	³ 12-15	15.8 bushels.....	18-25	216-375
Corn ²	4-6	44.2 bushels ⁴	36-50	144-300
Other feed grains ⁵	2-4	Depends on crop.....	15-50	75-175
Rice.....	.3	2,500 pounds.....	60-75	18-23
Peanuts.....	.1	900 pounds.....	50-70	5-7
Tobacco.....	.15	1,300 pounds.....	100-300	15-45
Total.....	21.4-30.55	.....	.....	618-1,225

¹ Based on approximately 90 percent supports and optional parity.

² Commercial area only.

³ Based on both winter and spring crop.

⁴ Commercial corn area yield.

⁵ Oats, barley, rye, sorghum for grain, and corn in the noncommercial corn area.

The cost per acre of obtaining participation remains in doubt due to the lateness of the season and the changing provisions of the proposed legislation. Surveys previously made of payment rates required are no longer applicable due to the fact that crops are already being planted and the support rate changes.

With every day's delay, the cost of the program increases and the effectiveness decreases.

D. Terms of the "Acreage Reserve" Agreement

1. Voluntary.

2. For 1 year but with terms to encourage participation for more than 1 year.

3. "Acreage reserve" lands must be at least typical quality land for the designated crops on the farm.

4. The acreage of crops covered by the agreement must be reduced below the acreage allotment or the base acreage, whichever is applicable, by the amount of acreage placed in the "acreage reserve."

5. In the case of rented land, compensation is to be divided among interested landlords, tenants, and sharecroppers on the

farms in the same proportion as they would have shared in the crop in the absence of an acreage reserve program, unless division on another basis is agreed upon by landlords and tenants and their agreement is approved by the county committee in accordance with standards prescribed by the State committee.

II. Conservation reserve—Objective: reduce the acreage of land in row crops and grains including oil seeds on a voluntary basis and divert such acreage to conservation uses

A. Conservation Reserve Incentives

1. Annual payments and terms of contract:

(a) \$10 per acre, per year average for the United States for 3- to 15-year period. Rates established on basis of land productivity, agricultural value of land, and other factors. Rates are designed to encourage farmers to take out their marginal cropland.

(b) County or area rates would vary on the basis of such factors as productivity and value of farmland.

(c) Rates would be established by areas and be based on relative productivity of the land in the area. Farm rates would be established on the basis of the rating of the area in which the specified acreage placed in "conservation reserve" is located.

(d) Eligible land, depending on area, would be land which was used for the production of rotation crops including alfalfa, clover, and other tame hay during the rotation on the farm. The acreage of row crops and grains including oilseeds must be reduced by the number of acres placed on the conservation reserve and the acreage reserve.

(e) All lands placed in the "conservation reserve" must be in or placed in approved conservation uses and may be neither harvested nor grazed except that the Secretary may permit grazing under certain emergency conditions.

1. Some lands may already be in approved types of cover. These lands may be entered in a 3-year contract.

2. Where it is necessary to establish cover, the normal contract will be for 5 years. In the case of land placed in trees, the normal length of the contract will be 10 or 15 years.

3. Costs of practices would be shared, with Government paying up to 80 percent of agreed-upon costs, within maximum limitations for establishment of trees, other cover, or other practices. Due to seed limitations, practices in first year may be modified if soil is protected.

2. Eligible conservation practices and uses:

(a) Practices and rates of payment insofar as possible will be consistent with the present ACP program.

(b) Vegetative cover:

1. Prefer perennial grasses and legumes.

2. Annuals may be permitted when seeded with perennial grasses and legumes.

3. Annuals may be permitted alone when no perennial seed is available if approved practices will follow. Due to seed limitations, some latitude may be needed regarding soil protective practices during the first year.

(c) Trees:

1. Adapted forest trees.

2. Shrubs when interplanted for shelter-belt purposes.

(d) Water storage: Cost of water retention reservoirs shared.

III. Inclusion of full farms

A farmer offering to place his full farm in the "soil bank" may receive payments under the "acreage reserve" for the designated crop acres on the farm (subject to maximum) and under the "conservation reserve" at the appropriate conservation reserve rate which will normally be lower than the acreage reserve rate, for the other acres normally in row crops or grains (including oil seeds). No payment would be made on the number of acres of land normally in conservation uses or normally idle.

IV. Certificates

- A. Draw them in terms of dollars.
 B. Under certain conditions, to be established by the Secretary, a farmer may purchase CCC grains with his certificates.

HAROLD D. COOLEY,
 W. R. POAGE,
 E. C. GATHINGS,
 CLIFFORD R. HOPE,
 AUGUST H. ANDRESEN,

Managers on the Part of the House.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS UNDER BANK-
HEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AINSWORTH UNIT OF THE MISSOURI
RIVER BASIN PROJECT

The Clerk called the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the report approved by the Secretary of the Interior on November 21, 1955, demonstrating the physical and economic feasibility of the Ainsworth unit of the Missouri River Basin project, integrated as a part of said project by the act of August 21, 1954 (68 Stat. 757), is hereby approved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO INCUR EXPENSES BEFORE FOR-
EIGN JUDICIAL TRIBUNALS

The Clerk called the bill (H. R. 7646) to authorize the Secretaries of the military departments, and the Secretary of the Treasury with respect to the Coast Guard, to incur expenses incident to the representation of their personnel before judicial tribunals and administrative agencies of any foreign nation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I want the RECORD to show that I am unalterably opposed to status of forces treaties and agreements under which American servicemen are tried in foreign courts under foreign judges; that I would do nothing to implement or continue those treaties or agreements. This bill, however, provides for the appointment, as I understand it, of legal counsel to represent American

servicemen who are being tried under such conditions. Therefore, Mr. Speaker, I withdraw my reservation of objection, pointing out at the same time that there would be no necessity for this bill if these un-American treaties and agreements were not in effect.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. This is an extremely important bill which provides counsel for our men overseas, so I think the gentleman very much for withdrawing his objection.

(Mr. BOW asked and was given permission to extend his remarks at this point in the RECORD in connection with the bill H. R. 7646.)

Mr. BOW. Mr. Speaker, this bill was reported to the House by the Committee on Armed Services with the representation that it would be "a means of supplementing the substantial list of protections already secured by the NATO Status of Forces Agreement and related agreements."

I am glad that the gentleman from Louisiana who submitted the report frankly said on the floor of the House, on March 19, that he thought this was unfortunate phraseology. He knows, and I think we all know, that the Status of Forces Agreement and other similar agreements do not afford substantial protection to the servicemen, civilian components and dependents who are subject to it. The agreements do provide substantial deprivations—and the loss of American rights.

This bill is a frank admission by the executive department that the various agreements as to the status of our forces do not protect our people abroad. It is also following typical bureaucratic procedure is not admitting a mistake. Instead of publicly recognizing that the Status of Forces Agreements and similar agreements should never have relinquished to foreign nations the criminal jurisdiction over our citizens, they now make a show of offering our citizens some slight protection against those same agreements.

No one could be more conscious than I am of the plight of any serviceman or civilian who runs afoul of the provisions of one of these agreements, in Japan, in France, in Great Britain, or any other country. Last May I gave this body an opportunity to show its concern by offering House Joint Resolution 309, which would have directed the President to seek a modification of the terms of such agreements. The Foreign Affairs Committee has refused to report this resolution to the House for action. The committee has ignored, also, the identical resolutions offered by 14 of my colleagues—and ignored the prevailing sentiment of the membership which had been expressed last May in the adoption of my amendment to the first Reserve bill.

The committee was obliged to recognize that there were obvious wrongs resulting from these agreements, even though they have not permitted the House to vote on the resolution. Pre-

sumably a subcommittee is to be appointed to consider the possibility of congressional action. That seems hopeful, although possibly calculated as a sop to the consciences of some of the members of the committee, or to discourage other affirmative action by the House.

The present bill is, of course, a result of the hearings had last July on my resolution. The Defense Department was prodded into doing many things to help accused men. Things which it had been dilatory about doing earlier. Without this bill I understand that the Department has paid for counsel in a few individual cases where an appeal was made to a Secretary of one of the services. This was in order that one of the top officials could say later in speeches that the Department was doing everything possible for accused servicemen, including the payment of attorney fees.

In sending a draft of the present bill to the Speaker, the Defense Department stated that the authorization was important to the military departments "in order to protect United States personnel against possible disadvantages which may arise as a result of unfamiliarity with local laws, procedures, and language."

I say that the disadvantages referred to are not merely possible, they have already been suffered by every serviceman or civilian who had the misfortune to be accused and tried in foreign courts.

The purposes of the bill are praiseworthy—as far as they go.

They do not go far enough.

This bill will not restore to any accused his right under our Constitution to be presumed innocent until proven guilty.

It will not shift the burden of proof to the prosecution.

It will not protect him against being forced to testify against himself—or having an involuntary confession used against him.

It will not change one iota any provision of foreign criminal codes.

We are not justified in assuming that any prisoner will be released on bail now because the United States will be responsible. Practice in foreign courts so far indicates the contrary.

If the language barrier is to be surmounted in the employment of counsel—the counsel should be an American. As a practical matter it may be difficult to secure the service of an American lawyer versed in foreign laws and admitted to practice in the particular court involved.

The Status of Forces Agreement, and other agreements, do not carry any provision for the appearance of lawyers who may not already be admitted to practice in such foreign court. An American lawyer trying to defend his client by American methods and rules in a foreign court may actually provoke more antagonism for his client. At least—he is butting his head against the proverbial wall.

I have in mind one case reported by an observer in Japan where two servicemen were tried jointly. One was represented by an American lawyer admitted to practice in the court, the other

The Clerk called the resolution (H. J. Res. 590) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc. That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Myrtle Richardson Beane, and Finne Bache, may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, George Tyson Campbell, Edson Rhodes Mills, and Aldo Alvarez, may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (9) and (17) of the Immigration and Nationality Act, Colin Noyes Clinch-Jones may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 4. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 10, after the name "Campbell," strike out the name "Edson Rhodes Mills."

On page 2, after line 7, insert a new section 4 to read as follows:

"SEC. 4. Notwithstanding the provisions of section 212 (a) (17) and (19) of the Immigration and Nationality Act, Edson Rhodes Mills may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act."

On page 2, line 8, strike out "SEC. 4." and substitute in lieu thereof "SEC. 5."

The amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 592) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc. That, for the purposes of the Immigration and Nationality Act, Ida Kaganowicz, Wonona Wong Chang (or Yit Chen Wong), Giuseppe Rosario DiStefano, Albert Rossi, Mrs. Kama Asato, Mrs. Tomeko Kishi, Fusa Kimura, and Geu Lau shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Antonio Doncovio shall be held and considered to have been lawfully

admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendments:

On page 1, line 6, after the word "and" strike out "Geu."

On page 1, line 7, after the name "Lau" insert the name "Geu."

The amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF INTEREST IN CERTAIN INVENTIONS

The Clerk called the bill (H. R. 4635) to authorize the Secretary of the Interior to transfer to Robert T. C. Rasmussen, the right, title, and interest of the United States, in foreign countries, in and to certain inventions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc. That the Secretary of the Interior be authorized and directed to transfer to Robert T. C. Rasmussen, former employee of the Bureau of Mines, Department of the Interior, by means of an appropriate legal instrument, the right, title, and interest of the United States, in foreign countries, in and to certain inventions made by the said Robert T. C. Rasmussen, consisting of electric smelting processes for production of silicon-aluminum alloys, manganese alloys, and other alloys and metals, and apparatus therefor, as described and claimed in United States Application for Letters Patent filed in United States Patent Office on July 30, 1952, and February 10, 1953, designated as serial numbers 301,810, 336,212, and 336,213: *Provided, however,* That such legal instrument shall reserve to the Government of the United States, and all agencies thereof, the right to a nonexclusive, irrevocable royalty-free license for all governmental purposes, and the right to grant sublicenses consistent with the law of any foreign country in which the invention may be patented, for the use of such invention in such country, pursuant to procurement or production for mutual defense purposes.

With the following committee amendment:

Page 2, line 9, before the word "and" insert "including military or economic foreign aid."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE FARM BILL

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that when the conference report on the bill H. R. 12 is called up for consideration on Wednesday next the time be extended for 1 additional hour, making a total of 2 hours for discussion of the conference report and that at the end of the 2-hour period the previous question will be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, in granting this extra hour I hope the gentleman will be more than generous and give us on this side at least half of the time.

Mr. COOLEY. I may say to the gentleman that I will certainly be generous. I do not know whether I will be more than generous, but it will be my purpose to have the bill fairly and properly presented to the House. I am sure the gentleman knows I will be just as fair as circumstances will permit.

Mr. MARTIN. I appreciate that, Mr. Speaker, and may I say that the gentleman is to be congratulated for having the time extended. The bill in its present form has never been before the House and it should have more than the normal time for discussion. I therefore commend the gentleman for making this request and I know he will be very fair to those of us who are in opposition to the conference report who may want to speak.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

UNITED STATES AGAINST ALDO LORENZO ICARDI

Mr. COLE. Mr. Speaker, I rise to a question of the privilege of the House.

The SPEAKER. The gentleman will state the question of privilege.

Mr. COLE. Mr. Speaker, I have been subpoenaed to appear before the United States District Court for the District of Columbia, to testify on Monday, April 16, 1956, at 9 a. m., in the case of the United States of America against Aldo Lorenzo Icardi. Under the precedents of the House, I am unable to comply with this subpoena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpoena.

The SPEAKER. The Clerk will report the subpoena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA v. ALDO LORENZO ICARDI, CRIMINAL CASE NO. 921-55

Spa ad test: Court of Chief Judge Laws. The President of the United States to Hon. W. STERLING COLE, Committee on Armed Services, United States House of Representatives, Capitol, Washington, D. C., or 1610 44th Street NW., Washington 7, D. C.:

You are hereby commanded to attend the said court on Monday, April 16, 1956, at 9 a. m., to testify on behalf of the United States, and not depart the court without leave of the court or the district attorney.

Witness the Honorable Bontha J. Laws, chief judge of said court, this 22d date of March, A. D., 1956.

[SEAL]

HARRY M. HULL, Clerk.
By JOHN C. CUGAN,
Deputy Clerk.

NOTE.—Report to New Courthouse between Third Street and John Marshall Place on Constitution Avenue NW., courtroom No. 8.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 455) and ask for its immediate consideration.

The Clerk read as follows:

Whereas Representative W. STERLING COLE, a Member of this House, has been served with a subpoena to appear as a witness before the United States District Court for the District of Columbia to testify at Washington, D. C., on the 16th of April, 1956, in the case of the *United States of America v. Aldo Lorenzo Icardi*, criminal case No. 821-55; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative W. STERLING COLE is authorized to appear in response to the subpoena of the United States District Court for the District of Columbia in the case of the *United States of America v. Aldo Lorenzo Icardi* at such time as when the House is not sitting in session; and be it further

Resolved, That as a respectful answer to the subpoena a copy of this resolution be submitted to the said court.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CO-OPS GET THE RUNAROUND

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. METCALF] is recognized for 30 minutes.

Mr. METCALF. Mr. Speaker, as part of H. R. 9893, authorizing construction at military installations, we are going to authorize the multi-billion-dollar semi-automatic ground environment air defense system.

Before we begin debate on this bill, I wish once again to call to the attention of my colleagues the threat posed by the SAGE system to the rural telephone and rural electric cooperatives.

First, I want to thank the chairman and members of the Committee on Armed Services for the hearing they granted me on this problem and for the protective language they inserted in the bill and in the report.

As I told the committee, to date the Department of Defense and its agents have shown a marked reluctance to deal with the co-ops, in whose immediate service areas some of these SAGE installations are to be built. I presented evidence of attempts to deliberately bypass the cooperatives.

One case I cited was that of the Sheridan County Electric Cooperative of Medicine Lake, Mont. Last summer, that co-op was almost paralysed in its own immediate service area—a mile from its line, as a matter of fact. It may be yet.

I also told the committee of the case of the Mid-Rivers Telephone Cooperative at Circle, Mont. This co-op started out late in September to try to find out how it might fit into the SAGE system. It does not know yet—although plans were far enough along in July of last year to permit circulation among the commercial independent companies of a list of proposed sites.

On April 15 last year, the Seattle district engineer asked the Sheridan County Electric Cooperative, which already is furnishing power to one Air Force in-

stallation, if it could serve as gap filler in the SAGE system, and if so, for how much.

The cooperative replied that it could, promptly following up with details such as rates.

The Corps of Engineers broke off negotiations about June 17, by which time the co-op, which has a line within 1 mile of the site, had gone to considerable engineering expense, including acquisition of right-of-way.

On June 23, well after the cooperative had made its offer, the district engineer asked the Montana-Dakota Utilities Co., if it were interested in serving the facility. The utility said it was, submitting on July 18 an offer lower than that of the cooperative.

Learning of this, the cooperative came back on August 23 and trimmed its offer to \$3,140 a year under the Montana-Dakota figure. This latter offer was not accepted, the Department of the Army told me, because "accepting successive competitive offers from each supplier would delay the utility connection beyond completion date of the facility with only minor savings to the Government."

So the contract was awarded to the commercial utility, subject to approval of the Army power procurement officer.

I questioned this award on several grounds.

First, the installation is in the immediate service area of the cooperative.

Second, \$3,140 a year is more than a minor savings.

Then, there was the time element. The cooperative was approached 2 months prior to the commercial utility. The latter came into the picture after the cooperative had made its offer—leading me to wonder if the commercial utility had been furnished details of the cooperative's offer. That question has not yet been answered.

There also was a note of urgency in the initial inquiry to the cooperative, which was told that "it is anticipated that construction of the facility will start about June 15, 1955, and that it will become operative about November 1, 1955." It is difficult to reconcile this with the fact that the initial approach to the commercial utility was dated June 23—or 8 days after construction was anticipated to have started.

In November, I was notified that the Army power procurement officer was withholding approval of the contract and that he would negotiate further with both suppliers.

The case of the Mid-Rivers Telephone Cooperative began early in October when our senior Senator—Senator MURRAY—received an inquiry from that organization. The co-op offered its facilities, personnel and maintenance equipment to the SAGE system. Our Senators and I asked the Air Force about it. We were advised that since the American Telephone & Telegraph Co.'s long lines department was the prime contractor for this entire project, the inquiry was being forwarded to them.

I then asked the Air Force what provision the prime contract between the Air Force and the American Telephone &

Telegraph Co. makes for utilization of telephone facilities existing in an area. That resulted in a correction. The American Telephone & Telegraph Co. "is not the prime contractor, as I inadvertently stated in my letter to you of October 21, 1955," Maj. Gen. J. W. Kelly wrote me on December 15, "but rather acts as a focal point for overall systems coordination among the Air Defense Command, associated companies of the Bell system and the numerous independent companies."

I do not know the difference between a "prime contractor" and a "focal point." I do know that defense is everybody's business; that we should use all our available facilities in our defense effort.

Now it is proposed that we authorize these SAGE contracts for periods of 10 years, and it is proposed that the investment be amortized in 10 years. So the Federal Government is, in effect, subsidizing the remaining life of the electric and telephone facilities to be built under the SAGE program.

When these contracts go to others than the companies now serving a particular area, the Government is subsidizing competition to the detriment of the firms now serving the area. If the Federal Government can subsidize duplicating facilities in the service area of a cooperative, it can parallel these facilities in the area of a commercial independent telephone company or a Bell System affiliate or a commercial electric company.

To the best of my knowledge, however, the only companies we would parallel and destroy under the SAGE program, as it has operated to date, are the cooperatives, organized by the people in sparsely settled areas to furnish their own electric or telephone service after the commercial utilities were either unwilling or unable to do so. These cooperatives are repaying money loaned them by our Federal Government. If we subsidize duplicating facilities in their service areas, we will be giving public funds to one group to enable it to destroy another group to which we have loaned public funds.

The Committee on Armed Services was very cooperative, amending the section, authorizing procurement of communication services for the SAGE system, to include these words on page 51 of the printed bill:

In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communication common carriers, including cooperatives, within their respective service areas.

On page 19 of the report on this bill—House Report No. 1290—the committee called attention to this sentence in these words:

It might be pointed out at this time that the last sentence of the provision will insure that in the procurement of communication services required in connection with the SAGE project, communication common carriers, including cooperatives, shall be afforded an opportunity to participate in the furnishing of such services within their respective service areas. The Air Force is required to utilize to the fullest extent the available facilities and capabilities of such carriers rather than procure the construction

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 11, 1956
For actions of April 10, 1956
84th-2nd, No. 58

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HIGHLIGHTS: Rep. Burdick criticized Administration's position on farm bill. House debated military construction bill, including provision for disposal of agricultural surpluses. House received USDA proposed bill to strengthen authority over movement of diseased animals. Senate committee ordered reported second supplemental appropriation bill for 1956.

HOUSE

1. FARM PROGRAM. Rep. Burdick criticized the Administration's opposition to the price support provisions of H. R. 12, the farm bill, and predicted that because of the Secretary's attitude, the measure will be vetoed. p. 5363
2. MILITARY CONSTRUCTION. Commenced debate on H. R. 9893, to authorize construction of certain facilities for the Armed Forces. This bill contains provisions to "extend and increase the authority to use surplus commodities for the construction of family housing overseas." p. 5365
3. RECLAMATION. Conferees were appointed on H. R. 6268, to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects. p. 5365 Senate conferees have not been appointed.
4. ANIMAL DISEASES. Received from this Department draft legislation to strengthen the authority of the Department in regard to the importation of animals from foreign countries and the regulation of interstate movements, and to provide additional authority for emergency outbreaks of animal diseases; to the Agriculture Committee. p. 5383
Received from this Department a letter relative to investigation of foot and mouth disease during Jan. by Mexican-U.S. Commission; to Agriculture Committee. p. 5383

5. PERSONNEL. Received from the Interior Department draft legislation to authorize the establishment of 10 positions for specially qualified scientific and professional personnel in the Department; to Post Office and Civil Service Committee. p. 5383

SENATE

6. APPROPRIATIONS. Appropriations Committee ordered reported with amendments H. R. 10004, the second supplemental appropriation bill for 1956. p. D319 (For items of interest to this Department see Attached table).
7. FLOOD CONTROL; ELECTRIFICATION. Public Works subcommittee on Flood Control ordered reported to the full committee without amendment S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948; and with amendment S. 3338, relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects. p. D320

ITEMS IN APPENDIX

8. EDUCATION. Extension of remarks of Rep. Thompson, N. J. favoring the establishment of a Joint Committee on United States International Exchange of Persons Programs and stating that the Commission on Education and International Affairs believes such a program can contribute to understanding, freedom, and world peace. p. A2853
9. FARM PROGRAM. Extension of remarks of Rep. Cooley stating that "tomorrow we will have a showdown and when the votes are taken the farmers of America will be able to count their friends one by one", and inserting letters from Herschel Newsom, National Grange, and Harry Caldwell, N. C. State Grange, favoring the conference report on the farm bill. p. A2887
- Rep. Jensen inserted a copy of a letter he wrote to a constituent supporting the administration's farm program. p. A2857
- Extension of remarks of Rep. Philbin stating that "the idea of taking cropland out of production in order to limit general agricultural output is not new, in fact, the original AAA program very closely resembled present proposals". p. A2862
- Rep. Miller, N. Y., inserted a newspaper article, "Worse Than No Bill", opposing the proposed farm bill. p. A2864
- Rep. Gross inserted a newspaper article commenting on the recent Wisconsin primary and stating that "returns from rural areas indicated that farm votes were cast in protest against the Eisenhower administration's price-support policies". p. A2887
- Rep. Harvey inserted a newspaper article favoring Sen. Capehart's proposed bill that Government research in the industrial use of farm products be elevated to the status of the major phase of the farm program. p. A2864
10. FLOOD CONTROL. Rep. Brooks inserted his recent address before the Red River Valley Ass'n convention on "Flood Control and River Development--Its Progress and Its Objectives". p. A2883
- Rep. Brooks also inserted Maj. Gen. Hardin's address on the same subject. p. A2886

from Mr. William N. Galbreth, chairman, Fact Finding Committee of Friends Neighborly Service Club, San Bernardino, Calif., dated March 30, 1956, covering more equitable distribution of surplus commodities to the needy people of this country, which I think is definitely worthy of consideration by those who are governing the distribution of our surplus foods:

FRIENDS NEIGHBORLY SERVICE CLUB,
SAN BERNARDINO, CALIF., March 30, 1956.
HON. HARRY R. SHEPPARD
House Office Building
Washington, D. C.

DEAR CONGRESSMAN: Inviting your attention to the much publicized, criticized, and confusing reports relative to the cost of storing various articles of surplus food, and the very great amount of confusion in the ranks of the farmers as well as among the rank and file of the already overburdened taxpayers of our Government relative to the cost of storage, and the very, very strong opposition to sending said surplus food to foreign countries, thereby competing with their farmers.

The very fact that there are 16,000 individuals here in San Bernardino County suffering from lack of proper food, not included in this number are thousands of retired civil service employees (Federal), some who retired before 1948, some from partial as well as total disability, whose retirement annuities are not enough to allow them to live in a semblance of the so-called American standard of life, even if their annuities were based on the 100 percent value of the dollar.

This condition exists in practically every county and parish in the United States. These Federal annuitants along with low wage earners, low social security recipients, as well as other recipients of State dole could use surplus food to keep alive the spark of life and enthusiasm that made this country that you gentlemen so proudly and justly refer to as the greatest democratic government in the world. You can make your words come true by distributing this surplus food to the low wage earners, old-age pensioners, annuitants in the lower brackets from Federal retirement, and senior citizens dependent on State and other charitable dole, thereby reestablishing that feeling of confidence and security that caused us to give the best years of our lives to make it possible for you to be where you are today. Show your appreciation for our labor and efforts by giving us a few square meals before it is too late, because when we cross the bar material food ceases to be of value.

Don't you think we could use and appreciate the butter that was practically given to Italy at 15 cents per pound while here at home the price per pound was beyond the reach of the average citizen? Likewise, the grain stored in warehouses that cost the taxpayers of this country \$1 million a day for rent was allowed to deteriorate to the extent that it had to be disposed of to the distillers to make wider, longer, and more enticing the avenue to juvenile delinquency, while millions of our citizens are suffering from malnutrition and undernourishment. Some of the senior citizens, as well as millions of our children, have forgotten the taste of butter as well as rice.

Let it be indelibly impressed on your mind that this is not a socialistic or communistic problem. It is a democratic problem based on Christian humanitarianism born in the hearts and John and Bertha Entrikin, watered and nourished by the spirit of the great Prince of Peace. Let Him come into your lives and your conscience will be at ease and in peace will be your deliberations.

This problem was recognized as one of merit by the Department of Agriculture through the constant and persistent efforts

of John and Bertha Entrikin until the Department of Agriculture issued status 32 permitting the distribution of surplus food to low-wage earners, pensioners, etc. The intent was good but the motive was used as a political football. The result, suffering and hardship, causing millions of citizens to ask, "Where is that prosperity and that \$117 every citizen is supposed to have?" Gentlemen, reverse your positions, place yourselves in the place of the low-wage earners, old-age pensioners, etc., and be governed accordingly.

We request that legislation be enacted calling for the distribution of all surplus food, above that required by law to be held for emergencies, to the aforementioned people until the supply now in storage be reduced to the level required by law. We are now, as you well know, overtaxed, and the part required for cost of storage can be used for other purposes.

Remove the pangs of hunger and you remove 75 percent of juvenile delinquency and 50 percent of broken homes. Try it and see if the results will not justify the means. Storage costs mount, starvation increases mortality. Reduce both by fair and proper legislation.

Yours respectfully,
FACT FINDING COMMITTEE OF FRIENDS
NEIGHBORLY SERVICE CLUB,
WILLIAM N. GALBRETH, *Chairman*.

THE LATE HARRY M. MOSES

(MR. ARENDS asked and was granted permission to address the House for 1 minute and to extend his remarks and include an editorial.)

Mr. ARENDS. Mr. Speaker, during the Easter recess of the Congress, one of the country's truly great men who contributed much for improving labor-management relations—a man who showed the way—was called to his eternal rest and eternal reward.

I refer to the passing of Harry M. Moses, organizer and president of the Bituminous Coal Operators Association. I knew him well and know much of what he accomplished in his all-too-short life of 59 years. It is with pride that I could call him my personal friend.

Harry was born in Westville, Ill., in my congressional district, and was an outstanding citizen of Danville, Ill., for many years. He got his schooling while working in coal mines. He later went into mine management and worked his way up to become the head of coal subsidiaries of the United States Steel Corp. With this background, a full understanding, and a sympathetic one, of the problems of the miners and a full understanding of the problems of management, Harry Moses brought an end to the long, bitter battles between the two. Disputes were settled by negotiation, without strikes, and both the miners and management profited.

I extend my personal sympathy to the Moses family. I surely share their loss. It is a great one to them, to his untold numbers of friends, and to all of us.

As a part of my remarks I should like to add the following editorial on Harry M. Moses which appeared in the Danville (Ill.) Commercial-News and one from the Washington (D. C.) Post and Times Herald:

[From the Danville (Ill.) Commercial-News]
HARRY M. MOSES

A great rock of a man, with a nobility of heart to match his stature, has been removed

from Danville and the national scene with the death of Harry M. Moses.

The obituaries told that he was a "close friend" of John L. Lewis—indeed, the only man "Old John" would sit down and negotiate with in the last few years. He was also a close friend to many others.

Although he spent less and less sustained time in Danville in recent years, he was here on many flying visits to see his mother and sister, Mrs. Tom Moses and Mrs. Harold T. Leverenz.

Mr. Moses was stricken by that cruel killer—cancer. He had been seriously ill and in much pain for weeks. The son of Tom Moses who rose from a mule driver in the old Bunsenville mine to general superintendent of the United States Fuel Co., Harry Moses knew the terrible labor conditions which once existed in the industry.

Although he wound up on the management side of the business, he knew from personal experience what the current hit song, Sixteen Tons, meant. It was this knowledge which made him invaluable in dealing with Lewis. And it was mutual trust and understanding which enabled these two to bring peace in a turbulent industry.

He was the first president of the operators' association and as such worked out 3 industrywide labor contracts with Lewis, head of the United Mine Workers. Before 1950, when these 2 began their periodic negotiating sessions, the coal industry went through 9 different strikes and work stoppages in 5 years.

He lived but 59 years, but he served others for most of these. Whether it was Pittsburgh or Washington, he was never too busy to visit with Danville friends. Right to the last he was accessible for a quiet chat, sharing that marvelous twinkle of his merry eye and a heartwarming chuckle.

He always called Danville home and his work in top business circles did much to improve our industrial economy.

[From the Washington (D. C.) Post and Times Herald]

HARRY M. MOSES

Under the leadership of Harry M. Moses, an urbane and infinitely patient man, the Bituminous Coal Operators Association was able to help keep peace in the Nation's coal mines and to strengthen what had been a terribly sick industry. From 1950 until his death Sunday, Mr. Moses was president of the association and a guiding spirit in the industry-wide negotiations it conducted with John L. Lewis, president of the United Mine Workers of America. Few men understood better than Mr. Moses the roars that emanated from both sides in these negotiations and seldom did a man have to show patience in such a full measure as he did. The result was that he had the confidence and respect of operators and union leaders. Sometimes he was criticized for giving in too readily at the expense of higher coal prices, but this criticism needs to be weighed against the economic cost of strikes. He was bamboozled by neither side, and during his presidency of the bituminous association there was never a coal strike. His death at the age of 59 takes from this city one of its most respected industry spokesmen.

THE FARM LEGISLATION

(Mr. BURDICK asked and was granted permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BURDICK. Mr. Speaker, I have often wondered if Mr. Eisenhower was actually the President of the United States. There is strong evidence here now, if newspaper reports can be relied upon, that he is not. Here is the head-

line in the Evening Star, Washington, D. C., which appeared recently: "Benson Will Not Accept Farm Bill."

I always thought Ezra was simply the mouthpiece of the President, but I evidently was wrong. He says he will not accept the farm bill as worked out by the conferees. I guess that settles it. There is no use trying to see the President, which I was tempted to do, as a veto of the 90 percent of parity will make the vote picking for the Republicans a precarious undertaking. I hope someone, either Mr. Hall, or someone interested in the Republican Party, will go down and see Mr. Eisenhower and suggest to him in a roundabout way that he, Mr. Eisenhower, is the President, and not Mr. Benson.

Ezra thinks because the National Farm Bureau is out to skin the farmers—which it has been doing for some time—that the sentiment of the farm belt is all for Benson's support. The funny part of that is that not all the State Farm Bureaus are following the National Farm Bureau in reference to support prices. I do not know how many States have parted company with their parent organization, but I know that the North Dakota Farm Bureau is for support prices. Anyway, Mr. Benson is adamant and arrogant and wants his way—but the only way he should have is his way out of the Department of Agriculture.

Benson's howl about surplus is the most unfair claim that could be imagined, so far as North Dakota is concerned. North Dakota raises her spring wheat and there is not now, and never has been a surplus of that kind of wheat. Bread cannot be successfully made without a good portion of hard spring wheat, and many times in recent years importations of hard spring wheat from Canada were permitted to accommodate millers. Any State that raises winter wheat does not produce hard spring wheat. The Western Pacific States raise a variety that is much harder than the Kansas, Oklahoma, and Texas wheat, but yet it does not fill the bill. If there is a surplus of the kind of wheat we produce in North Dakota will Mr. Benson tell us just where it is? In his figures on hard wheat he puts the Pacific States wheat on a par with our hard spring wheat, and adding those two figures together and classifying it all as our kind of wheat, there is a surplus. I repeat again that there is no surplus of hard spring wheat.

But Mr. Benson says the present bill is not satisfactory to him, so it looks as though a commissar of Russia is running our farm business. There seems to be a growing tendency here in Washington for the bureaus to take over the functions of government, and Mr. Benson's attitude is proof of this tendency. If this bureau chief can dictate all laws pertaining to agriculture, we could very well get along without a President or a Congress. We still have a Congress, but we appear to have a President who takes his agricultural signals from Benson, hook, line, and sinker. I think this situation exists and I therefore predict a veto on the farm bill which the con-

ferrees have worked out. If the bill is vetoed there will be no farm bill. It could, I think, be passed over the veto in the House, but in the Senate it could not pass, as many Republicans will sustain the President on the ground of party loyalty, and if that is not sufficient, the President can round up his 13 Democratic Senators, and thus prevent the passage of the bill.

With no farm bill, what will the situation be? A great many Republican Members who have rendered valuable service to the farm people will be mowed down by the resentment which a veto of the farm bill will fan into a blaze in the farm belt.

If the resentment were confined to farmers alone, the situation would be bad, but not dangerous; but remember in States like North Dakota small towns and even our largest cities are engaged in rendering a needed service to farmers, and the businessmen know they cannot get any money until the farmers get it first.

CITATION CONFERRED UPON HON. SAM RAYBURN, SPEAKER OF THE HOUSE OF REPRESENTATIVES

(Mr. McCORMACK asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, last night on the occasion of the Bataan Day dinner at the grand ballroom of the Mayflower Hotel in Washington, D. C., our distinguished and beloved Speaker, the gentleman from Texas [Mr. RAYBURN], was signally honored by the Government of the Philippines by having conferred upon him the great honor of the Order of Sikatuna, Lakan Class, which is the first time anyone who is a nonresident of the Philippine Islands has had this great honor conferred upon him.

I wish to extend at the close of the legislative RECORD today, in the body of the RECORD, the address delivered by my valued friend and our former colleague, Gen. Carlos P. Romulo, and also the address by our distinguished and beloved Speaker, together with a copy of the citation.

The SPEAKER. Is there objection?
There was no objection.

UNITED STATES v. ICARDI

Mr. KILDAY. Mr. Speaker, I rise to a question of the privilege of the House.

The SPEAKER. The gentleman will state it.

Mr. KILDAY. Mr. Speaker, I have been subpoenaed to appear before the United States District Court for the District of Columbia, to testify on Monday, April 16, 1956, at 9 o'clock a. m., in the case of the United States of America against Aldo Lorenzo Icardi. Under the precedents of the House, I am unable to comply with this subpoena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpoena.

The SPEAKER. The Clerk will read the subpoena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA v. ALDO LORENZO ICARDI (CRIMINAL CASE No. 821-55)

Spa ad test: Court of Chief Judge LAWS.

The President of the United States to Hon. PAUL J. KILDAY, Committee on Armed Services, United States House of Representatives, Capitol, Washington, D. C., or 3507 Albe-marle Street NW., Washington 8, D. C.:

You are hereby commanded to attend the said court on Monday, April 16, 1956, at 9 o'clock a. m., to testify on behalf of the United States, and not depart the court without leave of the court or the district attorney.

Witness, the Honorable Bolitha J. Laws, chief judge of said court, this 22d day of March, A. D. 1956.

HARRY M. HULL, Clerk.
By JOHN C. CROGAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 457) and ask for its immediate consideration. The Clerk read as follows:

Whereas Representative PAUL J. KILDAY, a Member of this House, has been served with a subpoena to appear as a witness before the United States District Court for the District of Columbia, to testify at Washington, D. C., on the 16th of April 1956, in the case of the United States of America v. Aldo Lorenzo Icardi, Criminal Case No. 821-55; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative PAUL J. KILDAY is authorized to appear in response to the subpoena of the United States District Court for the District of Columbia in the case of the United States of America v. Aldo Lorenzo Icardi at such time as when the House is not sitting in session; and be it further

Resolved, That as a respectful answer to the subpoena a copy of this resolution be submitted to the said court.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. SHORT. Mr. Speaker, I rise to a question of privilege of the House.

The SPEAKER. The gentleman will state it.

Mr. SHORT. Mr. Speaker, I have been subpoenaed to appear before the United States District Court for the District of Columbia, to testify on Monday, April 16, 1956, at 9 o'clock a. m., in the case of the United States of America against Aldo Lorenzo Icardi. Under the precedents of the House, I am unable to comply with this subpoena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

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Spa ad test: Court of Chief Judge LAWS.

The President of the United States to Hon. DEWEY SHORT, Committee on Armed Services,

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 12, 1956
For actions of April 11, 1956
84th-2nd, No. 59

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HIGHLIGHTS: Both Houses adopted conference report on farm bill. Ready for President. House continued debate on military construction bill. House committee ordered reported bill extending export control authority. Senate committee reported second supplemental appropriation bill for 1956. Senate received supplemental appropriation request for gypsy moth control. Senate received USDA proposed bill to strengthen authority over movement of diseased animals. Sen. Aiken introduced bill to provide compulsory inspection by USDA of poultry. Sen. Humphrey introduced and discussed bill to provide multiple use of national forests.

HOUSE

1. FARM PROGRAM. Adopted the conference report on H. R. 12, the farm bill, by a vote of 237 to 181 (pp. 5475, 5508). Previously the House rejected, by a vote of 238 to 181, a motion by Rep. Martin to recommit the conference report with instructions that the House conferees insist on provisions to provide flexible supports at 82½% to 90% of parity, provide dairy supports at 80% to 90% of parity, and eliminate the dual parity provision, the two-price plans for wheat and rice, and the provision for mandatory support of feed grains. p. 5507
2. MILITARY CONSTRUCTION; SURPLUS COMMODITIES. Continued consideration of H. R. 9893, to authorize construction of certain facilities for the Armed Forces, including provision for disposal of agricultural surpluses. p. 5509
3. FOREIGN TRADE. The Banking and Currency Committee ordered reported with amendment H. R. 9052, to amend the Export Control Act of 1949 to continue for an additional two years the authority for the regulation of exports. p. D327

SENATE

4. FARM PROGRAM. Agreed to the conference report on H. R. 12, the farm bill, by a vote of 50 to 35. This bill is now ready for the President. pp. 5440-48, 5450-73

Sen. Beall inserted a letter from the Maryland Farm Bureau opposing the conference report on the farm bill. p. 5438

Sen. Humphrey inserted a Co-op Service, Inc., resolution favoring 100% of parity for farmers, aid for the family-size farm, and the use of atomic energy for PEA powerplants. p. 5390

5. APPOINTMENTS. Received from the President a 1956 supplemental appropriation estimate of \$500,000 for "Salaries and expenses, Agricultural Research Service" to provide additional funds for gypsy moth control; to Appropriations Committee (S. Doc. 112). p. 5388
6. ANIMAL DISEASES. Received from this Department proposed legislation to provide further protection against the dissemination of diseases of live-stock and poultry; to Agriculture and Forestry Committee. p. 5388
7. SUPPLEMENTAL APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 10004, the second supplemental appropriation bill for 1956 (S. Rept. 1725). p. 5391 (For USDA items see Digest 58.)
8. FEED CROPS. Received a resolution of the N. Y. Legislature urging the removal of Federal restrictions on the raising of crops for the feeding of livestock. p. 5388
9. NATURAL RESOURCES. Sen. Neuberger criticized the natural resource policies of the Administration, and inserted a report of the Joint Committee on the Economic Report on the subject. p. 5407
10. FORESTRY. Sen. Morse criticized regulations of the Fed. Housing Admin. Specifying the thickness of lumber to be used in house construction, and inserted a statement he had prepared on the matter. p. 5431
11. INTERGOVERNMENTAL RELATIONS. The Government Operations Committee submitted an index to the report, various Study Committee, Staff, and Survey Reports, and Supporting Documents of the Commission on Intergovernmental Relations (S. Doc. 111). p. 5430

ITEMS IN APPENDIX

12. FARM PROGRAM. Extension of remarks of Rep. Knutson stating that the Minn. primary vote "is concrete evidence of farm wishes for adequate income" and inserting a newspaper article "which reflects some of the reasons for the crushing defeat of the Republican farm program...". p. A2901
- Extension of remarks of Rep. Cretella stating that "I believe I have no choice other than to vote for the recommitment" of the farm bill and inserting 2 newspaper articles on this subject. p. A2913
- Rep. Dixon inserted a telegram from the Continental Baking Co. urging him to reject the conference report on the farm bill. p. A2920
- Rep. Seely-Brown inserted a newspaper editorial, "All Eyes On The House" describing the nation wide interest in the farm bill. p. A2921
13. TEXTILES. Rep. Rogers inserted three New England Governors' Textile Committee

burglary, and rape. His case was aggravated by the fact that he had committed a series of rapes and in his assaults had viciously beaten several of his victims. You cannot serve freedom on a silver platter to men like that.

One of the frequent arguments advanced for probation and parole is the overcrowding in prisons which exists today. But now valid is this argument when the population in State and Federal prisons has increased from 179,047 in 1939 to only 182,051 in 1954, an increase of only 3,000 in a 15-year period. To be sure, it is more economical to release convicts on parole or probation. But let us not put the system on the basis of the cheapest price tag. When you do, you get shoddy merchandise.

One of the most serious problems we face today in the field of crime control is that of the repeater. This problem is brought into sharp focus by looking at the background of the population in Federal prisons where in 1954 of those received under sentences of more than 1 year, 63.8 percent were repeaters. When our people check the fingerprints of arrested persons which are received in the identification division they find that 70 percent have records of previous arrests.

The only way we have at present of dealing with the repeater is to demonstrate to him that truly he can't get away with it. But this is not enough in dealing with those who are unreformed and incapable of rehabilitation without extensive and prolonged mental treatment. If I can judge from the reports which come to my desk daily from every section of the country, there is a growing concern among law enforcement officials over the increase in crimes by repeaters and those who have been improperly selected as beneficiaries of parole, probation and other forms of clemency. I am certain you are just as concerned about this as we are. Parole upon parole and probation upon probation for those who have not reformed are unreasonable and unjustified. I appreciate the fact that for every flagrant mistake in parole and probation there are scores of cases reflecting dynamic reformation and rehabilitation. What I am saying is not that parole and probation are wrong, but that ill-advised parole and probation reflect adversely upon these methods of protecting society. It is the old case of a rotten apple tainting the whole barrel.

I can best illustrate my feelings by referring to a few cases which immediately come to mind. One eastern gang of 11 responsible for a \$2½ million holdup had received a total of 20 paroles and 17 probations, and one was pardoned, thereby blocking a deportation case. Another criminal had killed a policeman in 1932 and was given a life term. After the third parole, following the killing of the police officer, he was arrested burglarizing a safe. Another policeman was killed last fall by a criminal who had been paroled the previous month with a criminal record which dated back 15 years. Within the past few months, there was a nationwide manhunt for an individual who killed 3 persons following his parole less than 2 years ago. A group of parolees on a criminal spree, a little over a year ago, engaged in a gun fight with 2 policemen, and 1 of the policemen and 1 of the parolees were killed. Is not this enough to show that there is a need for improvement?

Since we established the widely publicized list of "ten most wanted fugitives" in March 1950, a total of 95 criminals has been on the list. Fifty-two had received paroles on at least one occasion during their criminal careers. Of the 18 special agents of the FBI who have lost their lives in line of duty, 11 were killed by criminals who had previously received paroles, probation or other forms of clemency. That errors have been made and are being made in the selection of persons to benefit from parole is a proven fact and a matter of grave concern. This is not merely

the problem of law enforcement officers, it is your problem also.

The mistakes in selecting the wrong person for release on parole might have been rectified with the type of supervision which the humanitarian principles of parole require. I do not say it is the fault of those who administer parole and probation. But it is the fault of those who permit these conditions to exist.

Politics, poor pay for parole and probation officers, lack of interest by city and State officials and the lack of uniform laws and practices all are involved. Parole supervision too often is a farce and exists in name only in too many cases. Those who have the most expert knowledge of parole hold that proper parole supervision requires a caseload of no more than 50 to 65 for each parole officer. When you face the facts, it is a marvel that parole succeeds as well as it does. This is particularly true when you find parole officers carrying caseloads of as many as 115. In a State where 45 parole and probation officers are required to supervise 2,800 persons on probation and 1,500 on parole it is clear that these overworked men cannot do their jobs properly. But that is only part of the picture. In addition, these 45 officers are required to make investigations in connection with granting of paroles and probation.

In one State, which boasts of an advanced parole system, maximum parole supervision requires a monthly visit to the parolee's home and place of employment. Minimum supervision requires a visit every 3 months either to the home or place of employment. It is no wonder that parole and probation fail so frequently. In one State, it is reported that 50 percent of those granted parole violate the conditions of parole. Figures vary in other States.

The picture is clear. The time has come for public indignation over the failure to give these men and women a chance to do their jobs properly. And, if it hurts some politicians—well, that is just too bad. At least, your conscience will be clear.

Justice is undermined and respect for constituted authority becomes a mockery when judges take it upon themselves to coddle hardened criminals by giving them undeserved probation. To illustrate I refer to a case where a judge placed a criminal on probation on the charge of car theft and violation of the Federal Firearms Act. This man previously had been arrested for armed robbery and breaking and entering. For this he received a 10-year sentence in a State penitentiary. He escaped and was later arrested in a distant State. He resisted extradition on the grounds of cruel and inhuman punishment in the State penitentiary. The State made a careful investigation and subsequently the criminal's charges were disproved to the satisfaction of a Federal judge who ordered him returned. After serving 3 additional years of his sentence, he was paroled. When later arrested in a Western State with a stolen car, he pleaded guilty but leveled the same old charges of the cruelty of punishment which had already been disproved. The judge placed him on probation for 10 years and told the criminal to behave himself and he would never have to serve the balance of the term for which he was paroled because as the judge told him, he had "an umbrella over you now."

There can be no doubt that many judges are handicapped by not having complete details. Once a wrongdoer is arrested and brought before the courts, there can be no more important investigative function than to place before the judge the facts which will aid him in arriving at his conclusions as to what is best, both for society and the individual offender. We regard this as so important in our service that our various offices are under instructions to furnish all available case information to judges when so requested.

The Federal probation system does an excellent job of developing information to be submitted in its presentence reports. Likewise, some States do an outstanding job in this respect, but there are others where much improvement is sorely needed.

I want to express my deep appreciation for the splendid assistance and cooperation which our special agents are receiving from most parole and probation offices throughout the Nation. It has been a source of gratification to observe that in the past 20 years there has been a gradual improvement in the cooperation between the professional advocates of parole and probation and law-enforcement officers. It must continue to improve. The police officer on the beat, the county and State officer and the Federal investigator are primarily concerned with the protection of society just as you are—and the old frictions should be removed. Fundamentally, there should be an even closer bond of cooperation between those charged with treatment of offenders and those charged with detection and apprehension. After all, our end objective is the same.

Under our legal system there is authority to act in most instances only after a crime has been committed. Somewhere and somehow, a new authority is needed—that of prevention. Let me illustrate. A policeman was killed by a 21-year-old parolee. He had been in and out of institutions on numerous occasions, having escaped and been paroled several times. After he had killed the policeman, the parolee's father disclosed that he had made efforts to have his son's parole revoked to prevent him from becoming further involved in serious crimes.

When parents appeal to authorities, not once but time and time again, to have their son on parole committed in the public interest, it is unbelievable that someone would not take action. Yet this has happened more than once. Last December, a 20-year-old parolee kidnaped a 3-year-old girl. The parolee was an admitted sex offender who had attacked girls ranging from 8 to 13 years of age. He had been committed twice to a mental hospital for examination. Paroles granted this criminal had been violated time and again. The parents saw that their son needed help—and he knew it himself. On the day before he abducted the 3-year-old girl, this sex offender had pleaded with his parole officer to come to see him; but for some reason, the officer did not see him. Cases like this cast a shadow, not on the principle, but upon the administration of parole.

More and more, we are finding the earmarks of crime long before the final act of violence occurs. Day after day, individuals who are mentally ill are committing serious crimes. They are bringing misery, not only to themselves, their relatives and their friends, but also to other innocent men, women, and children.

There are many individuals in America with backgrounds of emotional instability where the danger signals are clear and where the individual is clearly "earmarked for crime." The time has come when some way must be found to take preventive action, and here is the proposal I hope you will consider: When a person has been convicted and sentenced to prison, the authorities today have the ability to determine in many cases whether the wrongdoer is capable of leading a law-abiding life. But when it is clear that due to mental quirks the likelihood of violence exists, then there should be some legally recognized machinery whereby such individuals can be isolated from society to receive preventive treatment.

These are days of stress and strain. Modern society is geared to a fast tempo. Pressures are heavy from all sides, thrusting vast burdens on us all. Nerves become taut, tempers frayed, minds blurred. Abnormalities appear, which if recognized in time, can be treated and perhaps lives can be spared. If

action is taken, mentally sick criminals might claim no more victims but, on the other hand, they may be made into useful citizens.

The rise in sex offenses is shocking. Last year, while the total number of crimes was leveling off, rape increased 5.9 percent, and this has been the case for the past 20 years when such crimes have increased 163 percent, according to reports on crimes received from local, county, and State law-enforcement agencies. You who have devoted your lives to treatment of offenders know that there are certain types of persons who are mentally and physically ill and need to be treated as such. You also know that there are types of individuals whose prognosis for normal adjustment is so remote as to be improbable. The time has come when society can better be protected by providing some means of enforced treatment for such people. Public health authorities may legally place a family in quarantine if they have a disease which is dangerous to others. The freedom of that family is restricted for the good of the community. If this is accepted as a proper health measure, then certainly there should be a quarantine for mentally ill criminals who should be released only upon certification of competent medical authorities who can also say when the facts justify it, "This man in mentally ill and we cannot approve his release until this illness is cured. He must be kept in quarantine."

Mental illness, emotional instability, and abnormality are major problems in crime control just as certain diseases are problems in the health of a community. When official agencies receive information that a person convicted of a crime has a mental illness or abnormality which could endanger others, there should be a responsibility to advise proper law-enforcement agencies of the facts. If the case is sufficiently acute, there should be a means, with all the proper safeguards for constitutional rights, whereby treatment could be enforced—even beyond the period of actual sentence, if necessary.

If, for example, the facts are known that a person has a proven record as a sex deviate, there is also a responsibility to see to it that proper authorities are notified so that they may be warned of a potential threat to their community.

If the present trend of fiendish crimes is to be reversed, there is a need for a new attitude and a determination to prevent such acts. It is already the experience of law enforcement that perhaps as many sex crimes go unreported as are reported. If every sex offender knew that his name was on record, this in and of itself would be a powerful deterrent. If every sex offender knew there were ways and means by which he might get corrective treatment, the lives of potential victims as well as offenders and their families might be spared. A person suffering from contagious disease is removed from contact with healthy persons until the danger is past. So should the mentally ill criminal who endangers the safety of the community be treated. Law enforcement, of course, knows when an offender is placed on probation, but it seldom knows when one is placed on parole. It seems to me there is no valid reason why law enforcement officers should not know when a potential offender is released within their jurisdiction, just as health authorities should know when a typhoid carrier is around. The mere fact that a parolee knows that law enforcement has his identity could be another force of deterrence, and law enforcement could be of assistance in giving a helping hand to make parole more workable. This should be a cooperative effort.

Doubtless some of you already are thinking of reasons why this program I have suggested cannot be done. I could give you right now a dozen reasons why it would be difficult—but it is ridiculous to say it cannot be done to the everlasting benefit of the

mentally ill and the community. It can be done if we work together and if you add your pool of ideas.

We complain about high taxes, but last year crime cost every man, woman, and child in these United States \$122, or a staggering estimated total of \$20 billion. Perhaps this figure could become more meaningful if we realized that for every \$1 spent on education, crime cost \$1.46; and for every \$1 which went to the churches of the Nation, \$13 went to crime.

If we could but divert the waste of crime to constructive use—recruit and train the people so sorely needed in every phase of the administration of criminal justice and quarantine the mentally ill criminal until he is cured—the Nation would soon reap a marvelous profit. And there would be the added profit from a decline in sorrow, mental anguish, and outright physical suffering resulting from crime.

The challenge in crime control is a challenge to all of us here this morning. We live with it. It is the responsibility of every citizen, of course, but it is our job—it is our basic responsibility, if we do not find the answers—they will not be found. We must provide the ideas and the leadership.

And we must work together in mutual understanding—or else we fail. We must not fail.

AGRICULTURAL ACT OF 1956— CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, I understood that we were going to have a quorum call.

Mr. JOHNSON of Texas. It was my understanding that there would be a quorum call when the conference report was ready to be discussed.

Mr. KNOWLAND. I should like to have a quorum call before we begin the discussion.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the Senator from Louisiana [Mr. ELLENDER] losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. KNOWLAND. Mr. President, I object, at this point.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Texas. Mr. President, I wish the RECORD to show who is prolonging the discussion. [Laughter.]

The PRESIDING OFFICER. The clerk will continue the quorum call.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Fulbright	McClellan
Allott	George	McNamara
Barkley	Goldwater	Millikin
Barrett	Gore	Morse
Beall	Green	Mundt
Bender	Hayden	Murray
Bennett	Hennings	Neely
Bible	Hickenlooper	Neuberger
Bricker	Hill	O'Mahoney
Bridges	Holland	Pastore
Bush	Hruska	Payne
Butler	Humphrey	Potter
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Cotton	Kennedy	Scott
Curtis	Kerr	Smith, Maine
Daniel	Knowland	Smith, N. J.
Dirksen	Kuchel	Stennis
Douglas	Laird	Symington
Duff	Langer	Thye
Dworshak	Lehman	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Wofford
Frear	McCarthy	Young

The PRESIDING OFFICER. A quorum is present.

The question is, on agreeing to the conference report.

Mr. ELLENDER. Mr. President, the conference report now before the Senate represents a concentrated effort by the committee of conference to agree on a bill which would meet with the approval of both Houses of Congress, and which can be sent to the President as quickly as possible. The committee of conference met during the Easter recess and worked long hours. To use a colloquialism, we "sweated blood" over this conference report.

I realize that the report is not satisfactory to everyone. Nevertheless, it is a fair and workable report, and a good compromise between the Senate and House measures. I believe it embodies reasonable and realistic methods by which the sad economic plight of our farmers can be remedied, both in the months immediately ahead and in the more distant future as well.

I hope Senators will listen carefully as I explain the provisions of the conference report, how it differs from the Senate bill, and the reasons for those differences.

Mr. President, the House bill provided support at 90 percent of parity for the 1955, 1956, and 1957 crops of the basic commodities. Section 301 of the Senate amendment, by providing for setting aside 250 million bushels of corn, and increasing the set-asides for wheat and cotton, would have resulted in minimum 1956 support levels for corn, wheat, and cotton, according to the Department's estimates, of 84 percent, 85 percent, and 88 percent of parity, respectively, and under the flexible-support formula would have continued to affect the price-

support levels of these commodities in future years. The conference substitute represents a compromise between these 2 provisions, in that it calls for 90-percent price support for the 1956 crop only. I should like to point out that this provision of the conference substitute does not affect the support price for tobacco, which, under existing law, is required to be supported at 90 percent of parity, or the support price for rice, which, both under the Senate amendment and the conference substitute, will be subject to a 2-price plan in 1956.

Of primary importance to our American farmers, of course, is how the conference bill will affect them pricewise as compared to the present flexible price-support program. The announced support prices for corn and wheat would be raised, respectively, from \$1.40 per bushel for corn—81 percent of parity—and \$1.81 per bushel for wheat—76 percent of parity—to \$1.65 per bushel and \$2.27 per bushel, respectively, on the basis of March 15 data and the old parity formula. Ninety percent of old parity for cotton and peanuts would be 31.81 cents per pound and 12.3 cents per pound, respectively.

The provision of the Senate amendment changing the standard grade for cotton was omitted from the conference substitute, so that middling seven-eighths inch remains the standard grade and staple for price-support purposes; this change will increase the support price for each grade of cotton about 1.36 cents per pound above what it would be if the average grade and staple were used as the standard, and, of course, provided also it was based on the schedule of premiums and discounts used in 1955.

Both the House bill and the Senate amendment provided support for milk and butterfat at between 80 and 90 percent of parity. In addition, the Senate amendment provided for the use of a parity equivalent for manufacturing milk based on the period July 1946 to December 1948. Use of this parity equivalent would have increased the support price for manufacturing milk to about \$3.25 per hundredweight. In lieu of increasing the support price on a permanent basis through use of this parity equivalent, the conference substitute provides for a specific support price of \$3.25 per hundredweight for manufacturing milk, and 58.6 cents per pound for butterfat for the current marketing year ending March 31, 1957. The price of 58.6 cents for butterfat is equivalent to the price of \$3.25 for manufacturing milk.

The conference report retains the dual parity formula provided by the Senate amendment, but gives the Secretary until January 31, 1957, after Congress has returned next year, to submit his recommendations for an improved formula. The Senate amendment would have required the filing of this report during the recess of Congress.

The most difficult problems faced by the conferees concerned the provisions with respect to corn and feed grains. Except for clarifying changes, the provisions with respect to corn in the commercial area the same in the conference substitute as in the Senate amend-

ment. The feed grain provisions are substantially those of the Senate amendment in general purpose. The formula contained in the Senate amendment, however, for feed grain support prices was found to be unworkable when the support prices produced by it were examined. Since the historical pattern of feed grain prices does not follow the pattern for corn prices, a provision basing all feed grain prices at each location on corn prices at such location results in serious maladjustment of the feed grain price structure and discrimination between producers on adjoining farms who, in the past, have been accustomed to receive similar prices.

Corn is produced principally in the heavy feeding area, while feed grains are more frequently shipped to port for export, or to other areas for feeding. The conference substitute, therefore, adopts a formula designed to bring feed grain prices into proper relation with corn and with each other, and permit appropriate adjustment for location differentials. The substitute would raise the support price for corn in the noncommercial area from 75 percent of the support level in the commercial area to 85 percent of such level, and provide for support of rye, barley, oats, and grain sorghums at 5 percentage points of parity below the percentage of parity at which corn in the commercial area is supported. Thus, for 1956, corn in the commercial area will be supported at 90 percent of its parity price, established on the basis of the old parity formula; corn outside the commercial area will be supported at 85 percent of the support level in the commercial area, or 76.5 percent of parity; and rye, oats, barley, and grain sorghums will be supported at 85 percent of their respective parity prices, all of which are established on the basis of the modernized parity formula. The feed grain support prices computed in this manner bear a fair feed value relationship to corn support prices and permit appropriate adjustments to conform to the historic price structure. A savings clause in the substitute permits feed grain producers, including corn producers outside the commercial area, who do not comply with the additional price-support requirements of the bill to receive price support at the levels which would have prevailed but for the special feed grain provisions of the bill.

As provided in the Senate amendment, corn producers in the commercial area, to qualify for price support, would have to keep within their farm base acreages and, in addition, devote an acreage equal to 15 percent of their farm base for corn to either the acreage reserve for corn or the conservation reserve. The substitute makes it clear that the producer in the commercial area would have to keep within his farm base, and that land devoted to the acreage reserve would have to be devoted to the acreage reserve for corn, to qualify the producer for corn price support.

Like the Senate amendment, the substitute requires feed grain producers, in order to qualify for feed grain price support, to devote an acreage equal to 15 percent of their feed grain base acreage to the soil bank and not to plant more

than 85 percent of their feed grain base acreage. For 1956 the feed grain base acreage would, as provided in the Senate amendment, be the average acreage devoted to feed grains in 1953, 1954, and 1955. However, the conference substitute includes in this requirement corn produced outside the commercial area along with other feed grains. After 1956, a national feed-grain base equal to the average acreage for 1953, 1954, and 1955 would be apportioned among States, counties, and farms in the same manner that wheat acreage allotments are now apportioned. This apportionment would be made on the basis of a 5-year moving base, so that it would take into account shifts in production.

While the Senate amendment required producers to devote acreage to the acreage reserve or conservation reserve in order to qualify for feed-grain price support, the Senate amendment did not provide for putting feed-grain acreage into the acreage reserve. The conference substitute enlarges the acreage reserve to include feed-grain acreage; and any lands put into the acreage reserve, in order to qualify the producers for feed-grain price support, would have to be put in the feed-grain acreage reserve.

The announced support prices for 1956 are \$1.80 per hundredweight for grain sorghums, 59 cents per bushel for oats, \$1.16 per bushel for rye, 93 cents per bushel for barley, and \$1.05 per bushel for corn outside the commercial corn area. Based on parity prices for April, the support prices for 1956 under the conference report would be \$2.18 per hundredweight for grain sorghums, 72 cents per bushel for oats, \$1.41 per bushel for rye, \$1.13 per bushel for barley, and \$1.40 per bushel for corn outside the corn commercial area.

Mr. YOUNG. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Louisiana yield to the Senator from North Dakota?

Mr. ELLENDER. I yield.

Mr. YOUNG. If a producer of feed grains did not wish to comply with the provision by which he would have to cut his base acreage of feed grains by 15 percent, and place that in the soil bank, he would still be eligible to receive the 70 percent price supports we now have, would he not?

Mr. ELLENDER. That is correct, for 1956. We have included a savings clause in that connection.

Mr. DANIEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DANIEL. Does the conference report provide for expecting drought years in figuring the base acreage?

Mr. ELLENDER. It does provide for adjustments in allotting feed grain base acreage after 1956. I shall comment on that.

Mr. DANIEL. I thank the Senator from Louisiana.

Mr. ELLENDER. It is specifically written into the bill, I may say to my good friend, the Senator from Texas.

Another of the major decisions made by the conferees was to make the soil

bank voluntary. Except in the case of corn and feed grains, price support is not conditioned upon soil-bank participation under the conference substitute. This was a matter which has been given extensive consideration throughout the period of consideration of the bill. The administration and most of the farm organizations and witnesses before the committee favored a voluntary soil bank. A mandatory provision had been included in the Senate amendment principally because of the corn and feed-grain provisions, so that the conferees would have the entire question before them. However, after careful consideration the conferees felt that while the special base-acreage provisions for corn and feed grains made a mandatory program appropriate for those commodities, a mandatory program was not suitable for the basic commodities already subject to serve acreage restrictions or to the nonbasic commodities which are not subject to any acreage restrictions, and for which insufficient data is available.

The two-price plans for wheat and rice contained in the Senate amendment have been retained in the conference substitute, with mostly minor changes, most of which are of a technical nature. In the case of wheat, the principal changes made by the conference substitute are as follows:

First. The Secretary would determine whether compliance with acreage allotments would be required as a condition of eligibility for price supports and marketing certificates—as provided in the Senate amendment—but if such compliance is required, the acreage allotments would be established in the manner now provided by law;

Second. The Secretary would be required to put a certificate program into effect if approved by producers;

Third. Producers would not be eligible for marketing certificates unless they actually planted wheat;

Fourth. The question as to whether producers desire a wheat-certificate program would be submitted at every marketing quota referendum until such a program is approved. The reason for this change is that the 1957 referendum will be held shortly after the bill is passed, and before wheat producers have had sufficient opportunity to study the plan proposed by the bill. The conferees did not want to delay the referendum or deprive producers of an opportunity to put the program into effect in 1957, but did want to preserve to the producers the opportunity to vote for the plan after they have been fully advised of its advantages.

In the case of rice, the conference substitute would, first, permit the 1956 crop to be supported at more than 55 percent of parity, since the world price at present is about 65 percent of parity; and, second, limit rice inventory adjustment payments to the amount by which 80 percent of the parity price as of August 1, 1955, exceeds the 1956 support price. The conferees felt that this computation of adjustment payments represented a more realistic appraisal of the loss which otherwise would be suffered by persons holding rough rice on August 1,

1956, as a result of the transition to a two-price plan. The Senate amendment, it was felt, would have given them a measure of relief from a market loss which would have occurred even if the two-price plan were not put into operation.

The provisions of the Senate amendment limiting price-support loans to \$100,000, acreage reserve payments to \$25,000, and conservation reserve payments to \$7,500, are omitted from the conference substitute. While the conferees were sympathetic to the general objective of limiting assistance to those actually in need of such assistance, these provisions did not seem to be effective for that purpose, and appeared likely to be either completely ineffective or, to the extent effective, destructive of the program. If a limitation on price support were feasible, \$100,000 would probably be too high. However, since the objective of the program is to support the market price, the few producers who might be directly affected by this limitation could probably derive practically the full benefit of the support program in the market place. If, however, the volume affected by the limitation were such as to break the market price, the small producer who ordinarily does not have adequate storage facilities or, for other reasons, does not put his commodities under loan, would probably be affected in much the same way that the large producer would be affected.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me, so that I may propound a unanimous-consent request, and without losing his right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the following order be entered: that during the further consideration of the conference report on H. R. 12, the Agricultural Act of 1956, debate on the question of agreeing to said report shall be limited to 3½ hours, to be equally divided, and controlled by the majority and minority leaders, respectively.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, at this time I yield 15 minutes to the distinguished Senator from Louisiana [Mr. ELLENDER].

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 15 minutes.

Mr. ELLENDER. I thank the Senator from Texas.

Mr. President, the purpose of the soil bank is to retire lands from production, so as to alleviate the surplus and bring about better market conditions for all

farmers. To the extent that limitations on participation in the soil bank would prevent farmers from putting their lands into the soil bank, the program would be adversely affected, and the benefits to be obtained from it would be decreased.

The provision of the Senate amendment requiring processors to certify as to prices paid farmers in order to participate in certain price-support and surplus-removal operations is omitted from the conference substitute. This provision would have made many beneficial programs impossible to undertake. For instance, it probably would bar any surplus-removal operation undertaken to clear the market of a prior year's production, and would bar other price-support or removal operations where the processor has no way of obtaining information as to the price paid to the producer.

The conferees also gave extensive consideration to various provisions of the Senate amendment dealing with protection for tenants and sharecroppers. The conferees were most diligent in seeking a formula which would protect both the landlord and the tenant; but in view of the many varied types of arrangements between landlords and tenants, frequently involving much more than the use of the land itself, the conferees were unable to develop a formula which would be fair in all cases. It was felt that the county committees, who are familiar with arrangements customary in their counties, with some general guidance from the Congress and the Department, would be in the best position to determine what would be fair in each case. The various provisions of the Senate amendment on this subject have therefore been consolidated into a single section of the conference substitute, under which arrangements between landlords and tenants for sharing in soil-bank payments would be subject to approval by the county committee.

The provision of the Senate amendment making forfeiture of price-support benefits a penalty for violation of soil-bank contracts was felt by the conferees to impose a penalty having little relation to the offense, since a contract violator might have raised no price-supported crops or might have sold all of them in the market place. The conference substitute, therefore, omits this penalty, and provides instead for forfeiture of all benefits under the contract—instead of just those beginning with the year in which the violation occurred—and, in addition, it provides for payment of a further penalty in the case of grazing or harvesting in violation of the contract, equal to 50 percent of the compensation otherwise payable for the year of violation.

Other changes made by the conference substitute in the soil-bank program include the following:

First. The substitute would require compliance with acreage reduction to be checked before acreage-reserve payments could be made. This would not delay acreage-reserve payments much beyond the planting season, and conforms to the Department's tentative plans for administering the act.

Second. The substitute imposes dollar limits on the acreage-reserve program for each commodity so that the total amount available could not be used entirely for a single commodity. The limit for each commodity was purposely set so that the total limitation for all commodities exceeds the total amount available for any year in order to allow for some adjustment between commodities.

Third. The substitute makes it clear that a producer putting lands devoted to tame hay or other soil-conserving crops in the conservation reserve would not be required to reduce crop production on the balance of his land.

Fourth. Participation by State and county committees in the procedure for terminating conservation reserve contracts has been provided for by the substitute so that the producer can obtain a hearing in a familiar forum before being required to resort to more formal and expensive court procedure.

Fifth. Under the substitute the Secretary would make allowances for drought and other abnormal conditions in establishing yields for the purposes of fixing acreage-reserve compensation. This will make the program more attractive to producers who, despite adversities, continue to base their decisions upon the expectation of making a crop.

Sixth. Compliance with feed-grain base acreages would be a condition of eligibility for acreage-reserve payments for other commodities or for conservation-reserve payments, after 1956, in the same manner that compliance with acreage allotments are a condition of such payments. Such compliance with feed-grain base acreage is not required for 1956 because the Department will not have the data to determine feed-grain base acreages in time to make it applicable to the 1956 program.

Seventh. The provision of the Senate amendment prohibiting leasing of Government lands for agricultural purposes was modified in accordance with suggestions received from the executive branch, which has had the problem under study for some time.

Eighth. The substitute permits Commodity Credit Corporation funds to be used until June 30, 1957 to finance soil bank operations instead of switching from corporate funds to appropriated funds on February 1 in the middle of the fiscal year, and permits Commodity Credit Corporation funds to be used after June 30, 1957 to the extent that funds have been appropriated to the Commodity Credit Corporation for that purpose. These changes will facilitate the operation of the program, but still preserve the control of Congress over the program through appropriations.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter addressed to me, dated April 5, 1956, from the Department, signed by True D. Morse, Acting Secretary, on this subject, showing the reason why the conference agreed to make the changes suggested in the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 5, 1956.
Hon. ALLEN J. ELLENDER, Sr.,
United States Senate.

DEAR SENATOR ELLENDER: I am writing to you as chairman of the conference committee on H. R. 12, to call to your attention the urgent need for a further amendment to section 221 (a) of the bill, to change from February 1, 1957 to July 1, 1957 the date for transition from CCC financing of the soil-bank program to appropriation financing.

This section, as it passed the Senate, authorizes the financing of the soil-bank program from CCC funds until February 1, 1957. It also requires the submission of a report prior to February 1, 1957 of all operations which will require the making of expenditures prior to July 1, 1957, and authorizes appropriations to carry out the purposes of the Soil Bank Act, including payments to CCC for costs incurred up to February 1, 1957.

We have no objection to the submission of such a report by February 1 nor to the principle that the soil bank should be financed by direct appropriations as soon as feasible, if that is the desire of Congress. Our original proposal for permanent CCC financing with subsequent appropriations to repay CCC—which was adopted in the Senate committee version of S. 3183—was based primarily on (1) the close relationship of the soil bank to CCC operations, especially the need to reduce the vast accumulation of surpluses so that price support activities can operate effectively, (2) the administrative simplification that would result from using CCC authorities, especially at the local level, (3) the urgent time element in getting the program in operation, and (4) the ample precedents for this approach, such as the financing of the International Wheat Agreement, titles I and II of Public Law 480, the special milk program, the special brucellosis program, eradication of foot-and-mouth disease, emergency famine relief to friendly peoples, emergency feed assistance to farmers and stockmen in disaster areas, etc.

We understand that the conferees have already agreed on an amendment which would permit the use of CCC funds after February 1 provided the corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of the act. This provision will be most helpful after the transition has been made to an appropriation basis by permitting the continued use of CCC authorities in administering the program.

However, we strongly urge that the transition to an appropriation basis be made on July 1, 1957—the beginning of a new fiscal year—rather than on February 1. As you know, the time element is extremely critical. If the Soil Bank is to be implemented in time to have any material effect on the planting of the 1956 crops, it must be gotten under way at the earliest possible date and immediately upon passage of the basic legislation. However, if the immediate fund availability is limited to February 1, it would cast doubt upon the availability of funds to fulfill commitments and furthermore could have the effect of suspending payments and administrative operations unless an appropriation were actually passed by February 1. It seems extremely doubtful that Congress would be able to review the report of operations, examine a budget estimate, and actually pass an appropriation during the month of January 1957, especially if the usual amount of time is required to organize committees and otherwise make the necessary internal arrangements for the operations of a new Congress.

For these reasons, we believe it imperative to change the transition date to July 1,

1957. On this basis the appropriation estimate can be handled as a part of the regular budget for the fiscal year 1958 without the disruptive effects of shifting the basis of financing in the middle of the fiscal year, and avoiding the risks of suspending the program pending the approval of an appropriation almost immediately upon the convening of the new Congress.

We are furnishing sufficient copies of this letter for your use in advising other members of the Conference regarding the need for this change. Your favorable consideration of this matter will be highly appreciated and will assist greatly in the administration of the Soil Bank program.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

Mr. ELLENDER. Ninth, State game and fish agencies and the Fish and Wildlife Service are specifically included among the agencies to be utilized, and capability surveys as developed by the Soil Conservation Service are specifically included among the land use capability data to be utilized.

Tenth. The substitute specifies the date, March 15, as the date by which the Secretary's report on the conservation reserve program for the preceding year shall be transmitted to Congress.

One paragraph in the statement of managers on the part of the House may need a word of clarification. The paragraph on "Tree Seedlings" should not be taken as showing any intention to exclude State nurseries from participation as fully as private nurseries in supplying seedlings for the conservation reserve program.

The surplus disposal provision of the Senate amendment contained several provisions relating to cotton. The provision directing the Commodity Credit Corporation to encourage sales for export to reestablish and maintain the fair historical share of the world market for United States cotton was omitted from the conference substitute because the corporation already has adequate authority to sell cotton for export, and should do so. The conferees were in agreement that this cotton should be sold, but were not in agreement that this provision was the proper way to accomplish such disposition. The disposition of Commodity Credit Corporation stocks should be conducted in an orderly manner that will encourage continued sales for export and discourage foreign purchasers from withholding their purchases in anticipation of occasional sale programs.

Section 303 of the conference substitute authorizes the President to enter into agreements with foreign countries to limit exports to the United States and to issue regulations to carry out such agreements. This provision was incorporated in the substitute in the light of a possible agreement being negotiated with Japan on cotton textiles, although it is applicable to all countries, and all agricultural commodities and their products.

The conference substitute retains the provision of the Senate amendment to include cotton of $1\frac{1}{16}$ inches and longer staple length in the import quota applicable to cotton having a staple length of

1 $\frac{1}{8}$ inches or longer, but requires administration of the quota in a manner that will permit the importation of 1 $\frac{1}{16}$ inches and longer cotton to conform to normal requirements for such cotton. The overall quota is 95,000 bales, and it is estimated that 16,000 bales of 1 $\frac{1}{16}$ -inch or longer cotton came in ex quota in 1955. In the future the 1 $\frac{1}{16}$ -inch cotton will be required to come in within the 95,000-bale limitation.

The Senate provision requiring the Commodity Credit Corporation to encourage the sale of extra long staple cotton has been confined by the conference substitute to the quantity of such cotton which the Commodity Credit Corporation has on hand, since there is no desire to require it to purchase cotton for export.

Other provisions of the conference substitute dealing with surplus disposal would:

First. Require food stamp and food stockpiling programs to be included along with the surplus disposal program required to be submitted to Congress by the Secretary;

Second. Clarify the ocean freight provision of the Senate amendment;

Third. Make the commission concerned with the industrial use of industrial products a bipartisan commission;

Fourth. Limit the amount of the supplemental section 32 funds which might be devoted to any one commodity to 50 percent of the \$500 million authorized; and

Fifth. Limit the penal institution donation provision to donation of food commodities, but permit donations to be made to State corrective institutions for minors.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LANGER. May commodities be donated to penitentiaries?

Mr. ELLENDER. Yes. That provision has not been changed, except to limit the donations to food. I am sure that is what the Senator would like to do.

Mr. LANGER. Am I correct in understanding that donations to Federal penitentiaries can be taken care of?

Mr. ELLENDER. The Senator is correct. The only change we made was to add State correctional institutions for minors to the amendment which the distinguished Senator from North Dakota had inserted in the bill.

The provision of the Senate amendment exempting wheat produced for feed, food, or seed on the farm where grown from marketing penalties is omitted. The wheat quota law permits any producer to grow 15 acres of wheat without penalty. This very liberal exemption, which is not contained in the marketing quota provisions for any other commodity, has contributed heavily to excess wheat production, and the conferees felt that the still more generous provision of the Senate amendment was unnecessary and might contribute seriously to the wheat surplus situation.

Other changes in the marketing quota and acreage allotment provisions of the Senate amendment made by the conference substitute would:

First. Permit the Secretary to apportion among small cotton farms in any State in 1956 an acreage equal to the acreage allotted in such State which he estimates will not be planted, put in the soil bank, or considered as planted. Since it is contemplated that very few cotton farmers will underplant their cotton acreage without taking advantage of the acreage reserve program, it is expected that the acreage which might be apportioned under this section would be a very small acreage. This provision of the conference substitute supplements the provision of the Senate amendment providing additional acreage for small cotton farms, effective in 1957 and 1958;

Second. The provision of the Senate amendment for additional peanut acreage allotments in certain cases in States where the acreage devoted to Virginia or Valencia type peanuts is less than 10,000 acres is omitted from the conference substitute. This provision would have given preferential treatment to the States covered by it. The Department has the authority to increase allotments for types of peanuts in short supply and has exercised this authority this year. However, this authority provides for the apportionment of any increase among all States producing the types needed.

Section 602 of the Senate amendment providing for forest products price reporting and research is omitted from the conference substitute, since there was considerable objection to it and further consideration of it appears desirable before adoption.

The provision of the Senate amendment for a survey of existing meat-grading systems was omitted since the Department has ample authority to make such a survey. Objections were raised to the provision and since it was not studied in committee, further consideration appears desirable if it is to be enacted.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The time of the Senator from Louisiana has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. It will take me 10 more minutes to conclude my statement.

Mr. JOHNSON of Texas. I yield 10 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I admit that the bill agreed to in conference and which I have explained, is not perfection. It is, however, the best that could be obtained by the Senate conferees after 2 long weeks of discussions with the House managers.

I wish to say this, Mr. President: the conference bill is workable. Aside from our own experts and those from the House, we had many from the Department of Agriculture to help us write a bill that was administratively feasible. It is designed to bring immediate relief to our farmers and, I fervently believe, it will halt the drastic decline in farm income without further aggravating our surpluses.

Now, we have heard that the White House is dissatisfied with this bill. That

may or may not be true. I know that in his press conference of April 4, President Eisenhower set up as his main criteria for a farm bill, one designed to do two things; help our farmers over the "long term," as he put it, and, second, "help them now."

These two tests are amply met by the conference bill.

For the "long term," to use the President's words, we have provided a soil bank, one which is designed to reduce plantings on allotted acres and cultivated acres, as well. Unplanted acres will create a scarcity. The soil-bank provisions as embodied in the conference bill are almost identical with those proposed by the President. We have vested the Secretary of Agriculture with broad and ample authority to make the soil bank work. He has sufficient leeway to do so; his discretion is extremely flexible so as to permit him to adjust requirements and participation to meet changing conditions, as he determines them.

But, Mr. President, it would be but an idle gesture for us to expect the soil bank to help farmers adequately this year. It is well into the spring; farmers have planted much of their lands. As President Eisenhower declared in his April 4 press conference:

Now, the soil-bank portion of the program which we originally thought would help a great deal this year probably can't because it is getting too late.

That was the President's opinion as of April 4; it is now later, and it may become much later, depending on the action taken today. The prospects of the soil bank providing any effective income relief for farmers this year is so remote as to be only a cherished hope of the most ardent supporters of the plan.

Therefore, Mr. President, the choice is clear. Either we can wait another year to give our farmers much-needed relief, by depending upon the soil bank to do the job, or we can approve a method by which plummeting farm income can be arrested and substantially raised this year, by voting for the pending conference report.

I do not believe we can, in good conscience, afford to wait another year. Besides owing a duty to our farmers to see that they are not driven off their lands, we also must face the fact that another year of disastrously-low farm income will threaten our whole economy, aside from agriculture.

Mr. President, to bring about this much-needed assistance this year, we have provided in the bill for 90 percent of parity price supports for 1956. We have voted to raise support levels for the basics to 90 percent of parity to tide our farmers over until such time as the soil bank, according to the President's own estimate, will take full effect. Frankly, I doubt that the soil bank will show any appreciable results until the middle of 1957, but I am willing to yield to the President's wishes and accept his prognosis in order to get a bill enacted which will pump life back into our farm economy now.

Let us face facts, Mr. President. Ninety percent of parity price supports for 1956 are not going to increase pro-

duction. Contrary to Mr. Benson, and his followers, there is no conflict between the 1-year, 1-shot, emergency, 90 percent of parity supports in this bill and the soil bank. Here is why:

First, by the President's own admission, the soil bank cannot be effective in 1956. Therefore, as to 1956, there can be no conflict between 90 percent of parity and the soil bank.

Second—and this is most important—90 percent of parity-price supports for 1956 will not and cannot bring about any increase in production of the basic commodities.

Every basic commodity to which the 90 percent of parity price supports apply are under tight acreage allotments. By the President's own admission, much of these allotments have been and are now being planted. Thus, since the higher support levels in the conference bill cannot increase acreage, they cannot conceivably increase production.

The argument has been advanced that our present surpluses are the fault of 90 percent of parity price supports. I reiterate most emphatically that they are not; these surpluses exist because the Department of Agriculture, because our Government, called upon farmers to achieve all-out production during the Korean war. Can the farmers be blamed for that, Mr. President?

I hold in my hand a number of clippings on the subject which might be of interest at this time. For example, here is one from the New York Times of October 28, 1950, which bears the caption "Brannan Warns Farmers—They Must Produce or Face Further Controls, he says." Here is another from the October 4, 1950 edition of the Wall Street Journal entitled "Farm Crop Switch: Federal Planners Do About Face—Will Ask Bigger Output in 1951—All Curbs Off for Next Year on Cotton Planting—Talk of More Rice, Corn, Meat—Wheat Goal Is Also Lifted."

Here is another, Mr. President, from the March 20, 1951 edition of the New York Times. It is headed "1951 Crops May Fall Short of United States Needs—Outlook Is Most Disturbing In Corn, With Plantings Seen 5 Percent Below Acreage Goals."

Here is an article taken from Newsweek of October 16, 1950, entitled "Cotton Shortage." It states, in part, that Secretary of Agriculture Brannan decided last week that "there would be no controls of any kind on next year's planting. Farmers were asked to aid at a total output of 16 million bales."

Now, later, Mr. President—just this week, as a matter of fact—the magazine U. S. News & World Report noted that the 1953 crop of supported commodities had not been controlled, and that, as a result, the surpluses shot skyhigh.

Whoever may be to blame for this situation, whether he be a Democrat or a Republican, there is one thing certain: Our farmers were not to blame nor can anyone blame it on 90 percent of parity price supports for the basics.

The blame rests upon those planners who declined to impose controls on the 1953 crop. The Democrats were in office in 1952, Mr. President; it was up to the

Democratic Secretary of Agriculture, Mr. Brannan, to determine if controls were to be imposed. That determination, it must be noted, had to be made at not later than the dates set opposite the following commodities: Cotton, October 15; corn, November 15; wheat, July 1; rice, December 31.

Thus, the issue of controls or no controls had to be decided during the year 1952, as to whether the 1953 crop would be controlled. Let me remind the Senate that the war in Korea was still in progress at that time. The truce was not signed until July 1953. Hence, during 1952, at the time when the issue of controls or no controls for the 1953 crop had to be decided, it was not known whether war and defense demands for farm commodities would slacken, or whether they would actually increase. Should a truce agreement not have been achieved—and in 1952 the Communists were still bargaining, haggling, and, I might note, threatening an expanded conflict—the prospect of an overwhelming and overnight demand for farm commodities was a distinct probability. Thus, in 1952, when the Secretary had to decide whether to impose controls, he took the prudent course. He determined that it would be better to chance the prospect of future surpluses, than to run the risk that full-scale fighting might break out again and find our country without the food and fiber necessary to prosecute the conflict to a successful conclusion.

Mr. Brannan warned this would be his course in 1950, and he was of the same opinion, I assume, in 1952. The Washington Post quotes former Secretary Brannan to this effect, in August of 1950, shortly after the Korean war broke out, under the headline, "Bumper Crop Goal of Brannan Again."

Secretary Brannan stated:

I would rather be guilty of building up a huge surplus of agricultural products than to be blamed for a shortage of food and clothing. I have said that repeatedly; I am stronger than ever of that view now, in view of the critical world situation.

Mr. President, can any man honestly say that the Secretary of Agriculture was wrong. "Be prepared" is a motto wisely adopted by the Boy Scouts of America. It is a motto founded on wisdom. It is the keystone of our present defense program. I think the only prudent thing the Secretary could do in 1952, when the truce talks were foundering and the decision on controls had to be made, was to plan for the worst, and hope that the best would happen. That is precisely what he did.

The PRESIDING OFFICER. The time of the Senator from Louisiana has again expired.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, can 90 percent of parity be blamed for this? Most emphatically not. The cry of our Government was for more production, more food and fiber: "Food and fiber will win the war," they were told.

Without controls, these farmers produced. Acting at the behest of their

Government, they coaxed from their lands an abundance of food and fiber which, had the truce in Korea not been signed, could have well meant the difference between survival or annihilation of American troops battling on that bloody peninsula.

Now, however, we are being told that our farmers, in effect, should be "punished" for overproducing. We are being told that 90 percent of parity price supports are to blame for our surpluses.

If ever a Secretary of Agriculture has been guilty of politicalizing our agriculture, and misrepresenting the facts to our people, then the man who now holds that office should bear that guilt.

Besides his untrue prognostications as to what future years would bring—his optimistic predictions as to what 1953, 1954, and 1955 would bring in the way of increased farm income—Secretary Benson has not proved himself sympathetic to the administration of the farm program which was the law of the land at the time he assumed his office.

Mr. President, I urge the Senate to repudiate this relentless politicalizing of our farmers' serious plight. I remind the Senate that the conference bill meets the President's criteria laid down in his April 4 press conference. I state to my colleagues, in all good faith, that the conference has done its level best; we have written a compromise bill which, if administered properly, will be of substantial and immediate assistance to our farmers.

I shall be the first to admit that it is not a rubber stamp of what Secretary Benson, in his doubtful agricultural wisdom, has determined to be best for the farmers. It is nevertheless a bill which, in the judgment of the majority of the conference committee, comes as close as is practically possible toward assuring our farmers of relief, both immediate and long-range. It is a bill the President can and should sign, and I believe he knows so. The fallacious cry raised from the panelled offices of the Secretary of Agriculture to the effect that 90 percent of parity, as written into this bill, will increase production is pure unadulterated buncombe.

Mr. President, I wish to emphasize the fact that the conference bill must be adopted if our farmers are to avoid the unhappy fate of economic strangulation in an economy which is bursting at the seams in other respects. If the President is a reasonable, realistic man—and I believe he is—then he will sign this bill.

When he signs it, then his next official act should be to obtain the services of one who will administer the bill in accord with the will of the Congress. It would seem to me that Mr. Benson has disqualified himself from administering this program, inasmuch as he declared, only brief hours after the conferees came into agreement, that their report was unacceptable to him. Nothing seems to be acceptable to Mr. Benson, except a continuation of the present program which has spelled disaster to many farmers.

The office of the Secretary of Agriculture needs an administrator who is in

harmony with a price-support program; the farmers of our Nation who have seen their income shrink by more than \$3 billion since 1952, who have watched the parity ratio plummet from 100 in 1952 to 80 as of January of 1956, deserve a Secretary of Agriculture who will administer the program enacted by Congress in a sympathetic manner.

The conference bill offers our farmers hope for increased income in 1956. It provides our President with a soil-bank program of his own choosing, which he says can be made effective in 1957, since it is a little late for it to become fully effective this year. It in no way, form, or manner involves an increase in production, since acreage allotments have already been fixed and would remain unchanged under this bill. Only income, stimulated by 90 percent of parity price supports on heavily curtailed production, would rise.

If this program is administered wisely and sympathetically, I think it can bring our farmers much relief this year, much more relief next year, and perhaps a return to full economic vigor in subsequent years. If it is placed in the hands of a Secretary who has already passed judgment upon it and found it unacceptable, then it can only bring more of the same economic disaster which has already been visited upon our farmers in such abundance.

This bill must go to the White House, Mr. President; it must be signed into law. It must be made operative as quickly as possible. It is the very least our farmers deserve.

Mr. President, I ask unanimous consent that the clippings to which I have referred may be printed in the *RECORD* at the conclusion of my remarks.

There being no objection, the clippings were ordered to be printed in the *RECORD*, as follows:

[From the New York Times of October 28, 1950]

BRANNAN WARNS FARMERS THEY MUST PRODUCE OR FACE FURTHER CONTROLS, HE SAYS

DENVER, October 27.—Secretary of Agriculture Charles F. Brannan put this issue directly to the farmer here tonight: Produce or face further controls.

"We need more meat, wool, and feed grains," Mr. Brannan said soon after arriving in his home State to help carry the Democratic campaign, "and the best way for farmers to avoid controls in time of need is to produce fully those items we require."

He admitted that our food reserves are not sufficient to feed all the world. The said, "we must give to countries such as Korea, the know-how to eventually produce their own food as well as temporary supplies."

[From the Wall Street Journal of October 4, 1950]

FARM CROP SWITCH: FEDERAL PLANNERS DO ABOUT-FACE—WILL ASK BIGGER OUTPUT IN 1951—ALL CURBS OFF FOR NEXT YEAR ON COTTON PLANTING—TALK OF MORE RICE, CORN, MEAT—WHEAT GOAL IS ALSO LIFTED
(By Kenneth Scheibel)

WASHINGTON.—"About face" is the order of the day at the Agriculture Department.

After 2 years of trying to reduce crops—in a vain effort to stave off mounting surpluses of everything from wheat and butter to tung nuts—the Agriculture Department will give farmers new, higher crop goals to aim at in 1951.

The trend was spotlighted yesterday when the Agriculture Department dropped all curbs on cotton production in 1951.

Final figures won't come out until next month when Agriculture Department officials hold their annual National Farm Outlook Conference, at which they tell State and local farm leaders what's what in the farm world for the coming year. But right now they're aiming at a 10-percent boost for most crops, while goals for some, like cotton, are being hiked as much as 50 percent or more over this year's output.

MORE ACREAGE

The switch will mean a drastic easing in the rigid acreage restrictions which were slapped on basic crops this year. In some cases, like cotton, the curbs will be dropped entirely. Meantime, farm planners are talking of boosting acreage allotments on rice and corn, to get more production. Greater wheat output next year has already been ordered by Agriculture Secretary Brannan, who ruled out previous plans to trim planting.

Why the reversal? Agriculture Department spokesmen give a variety of answers: Larger crops are needed because of the stepped-up military mobilization. They're needed to help hold down prices of food and to meet the needs of the ever-increasing population—say the planners.

GOALS FOR NEXT YEAR

Here's the Agriculture Department's 1951 goal for each of the major crops:

Wheat: Next year Secretary Brannan wants farmers to produce about 150 million more bushels of wheat than this year. That would mean about 10 billion extra loaves of bread. He's asking for a wheat crop of 1,150,000,000 bushels, compared with a little more than 1 billion bushels turned out this year.

Before the Korean war broke, Mr. Brannan planned to cut next year's wheat acreage to between 60 million and 65 million acres. Now he's asking for 72,800,000 acres.

The 1951 goal, plus 417 million bushels carried over from this year, would cover estimated exports and military needs and provide a safe reserve margin, Mr. Brannan says. Some private grain men say it may mean a burdensome surplus. The average support rate for 1951 wheat has been set at \$1.99 a bushel, compared with \$1.95 this year.

Cotton: In dropping all curbs on cotton output next year, Mr. Brannan urged growers to produce 16 million bales of the white fiber. That would be 60 percent more than this year's low crop which was badly hit by insect damage. It's indicated at around 9,982,000 bales. This crop, plus present carryover supplies, aren't considered enough to meet United States civilian and military needs, exports and reserves. On the basis of past average yields, farmers will have to sow 25 million to 30 million acres for 1951 if they're to produce the 16 million bales Mr. Brannan wants. They planted 20 million acres this year.

Agriculture Department budget watchers have their fingers crossed about the whole scheme. Helter-skelter production of cotton next year could ruin currently high prices. Committed now to support cotton prices at a high level in 1951, Uncle Sam might wind up owning millions of bales.

MORE CORN

Corn: Agriculture Department officials would like farmers to plant 90 million acres of corn next year, compared to this year's 84 million acres. This should produce a little more than 3,200 million bushels of the grain, against this year's crop of 3,162 million bushels.

Corn production has to remain high, the planners say, as protection against a run-away in the price of meat. The country's supply of pork chops and sirloin steaks depends on the supply of corn for feed, the experts add.

Figures for the corn crop are still tentative, and there's a good chance they'll be hiked even further. Mr. Brannan's cohorts are trying to come up with a goal that will sidestep the possibility of a glutted market and still give them enough grain to keep consumer prices of livestock, poultry, and dairy foods from climbing.

NOT ENOUGH TO GO ROUND

Meat: This energy food is one both the housewife and Federal food experts would like to see more of. "With lots of money in the public's pocketbooks, and with a growing military program, there just isn't enough to go around," say the experts. "The public is buying even the highest-priced cuts as fast as it can get its hands on them."

Farm planners would like to see steak and chop production hiked sharply. This year beef production has amounted to about 63 pounds per person. In 1951, they want to see output boosted to 65 or 66 pounds per person.

Last year pork production was about 67.6 pounds per person. This year it's expected to average about 70 pounds. And the experts are asking farmers to aim at production of between 73 and 75 pounds of pork per person in 1951.

About 8.7 pounds of veal went to each meat eater in 1949, compared with an estimated 8 pounds this year. Experts are hoping for a 1951 production figure of 9 pounds of veal per person.

A BLUE NOTE

One blue note in the meat picture is lamb. Prospects for increasing the amount of super-costly lamb chops are not so good.

Since 1942, United States sheep flocks have shrunk 50 percent and experts say the downward trend will probably continue. Farmers find easier and more lucrative ways of making a living than growing sheep. In 1949, there were only 4.1 pounds of lamb for each of us. There will be about 3.9 pounds this year, and a shade less next year, officials say.

Poultry: The experts are calling for a little more turkey and chicken on dining-room tables next year. This year poultry is being eaten at an annual rate of about 29.3 pounds per person. Next year, the prediction is for 30 pounds.

Fruit: Increased fruit production in 1951 is a must, say the Agriculture Department pundits. The short crops this year, especially of peaches, pears, and citrus fruit, brought supplies to the lowest level since 1943. With attractive prices in the offing, growers are expected to have bigger crops next year, unless they run into bad weather and plant diseases as they did this year.

Lifting of all Government curbs on United States cotton production in 1951 was expected by cotton merchants who anticipate a dangerously low supply of the staple by next spring.

The Government slashed cotton acreage this year to reduce expected surpluses but prospects for a surplus vanished when the Korean war greatly increased demand for cotton goods. At the same time the boll weevil for the second successive year is taking a heavy toll of the crop.

As a result dealers feel the 1950 cotton crop will shrink to around 9 million bales compared with the big 1949 production of 16,128,000 bales. A 9 million bale crop would not even cover domestic consumption, currently running at a rate of better than 10 million bales a year.

In addition to calling for a big crop next year the Department of Agriculture is expected to limit the volume of cotton exports to assure supplies for the domestic textile mills next year until the new crop starts moving in the second half of 1951.

Dealers estimate that if no restrictions were placed on the distribution of cotton, the carryover stock on August 1 next year could

be under 1 million bales. The carryover on August 1 (start of the crop season) this year was 6,700,000 bales.

[From the Washington Evening Star of March 20, 1951]

1951 CROPS MAY FALL SHORT OF UNITED STATES NEEDS—OUTLOOK IS MOST DISTURBING IN CORN, WITH PLANTINGS SEEN 5 PERCENT BELOW ACREAGE GOALS—WHEAT PROVES EXCEPTION—AGRICULTURE DEPARTMENT SAYS FEARS OF LABOR SHORTAGE BALKED EXPANSION PLANS

WASHINGTON, March 19.—A Department of Agriculture report indicated today that this year's production of vital food and livestock feed crops may fall considerably short of the Nation's expanding needs under the defense program.

The outlook was most disturbing in the case of corn—the major raw material for production of meat, dairy and poultry products. These are the foods most in demand and bringing the highest prices at retail stores.

The Department said fears of a shortage of labor at harvesting time and a reluctance to plow up lands which have been taken out of cultivation and put into grass in recent years appears to be holding down plans for crop expansion.

In the case of corn, the department had urged plantings of at least 90 million acres compared with 84,370,000 planted last year. Today's report—based upon farmers' plans as of March 1—showed a prospective acreage of only 85,694,000.

PROSPECTS FOR CORN

At relatively high average yields per acre, such plantings would produce a corn crop of only 3,050,000,000 bushels. The Department has said that at least 3,590,000,000 bushels will be needed to maintain current levels of meat, dairy and poultry production.

Reserve supplies of corn are dwindling under a rapidly increasing livestock feeding program, and consequently would not be large enough to make up the possible deficit in this year's crop.

[From Newsweek of October 16, 1950]

COTTON SHORTAGE

King Cotton last week was in a parlous state—from an overdose of planning. The patient would survive, but it would take a strenuous resuscitation effort.

The trouble had its origin more than a year ago, when Congress, after a protracted debate, passed a bill authorizing the Department of Agriculture to limit cotton acreage (for price-support purposes) and impose strict marketing quotas. Those who had planted the crop over the longest period got the biggest acreage allotments, but many southern farmers, who benefited from the law, didn't use the allotments received. Following long-standing Agriculture advice, they diversified their crops, resting the land before the next cotton planting.

Result: the smallest harvest since 1946 from the smallest acreage planted to cotton since 1886. This week the Agriculture Department estimated the 1950 cotton crop at 9,869,000 bales. Officials had been confident, however, that a yield like this, backed by a stockpile of 7 million bales, would avert a shortage.

Their optimism was short lived. Consumption had already been running well ahead of production, when the Korean war and the long-range defense program upset the market. Suddenly, agriculture was faced with a demand for 16 million bales of cotton; this year's short crop and all the surplus would be needed. Last week, Secretary Brannan, after denouncing the "unworkability" of the present law, announced the inevitable: There would be no controls of any kind on next year's planting. Farmers were asked to aim at a total output of 16 million

bales. As usual, they would enjoy price supports—probably at 90 percent of parity.

First reaction from cotton growers was surprisingly gloomy. A goal of 16 million bales would require planting about 30 million growing acres. There were grave doubts that sufficient manpower, after the draft and defense plants take an increasing toll, would be available to handle that big a job.

While cotton is in the tightest position, Secretary Brannan has made or is about to make upward revisions on quotas of other major farm products. Probably, potatoes and peanuts will be the only two crops kept under rigid control. Wheat acreage for next year already has been raised 12 million, up to 72,800,000 acres; a decision on corn, due by February 1, and rice, by December 31, will undoubtedly open the gate for bigger plantings.

[From the Washington Post of August 18, 1950]

BUMPER CROPS GOAL OF BRANNAN AGAIN

Secretary of Agriculture Charles F. Brannan is shooting for another year of bumper farm production in 1951.

"I would rather be guilty of building up a huge surplus of agricultural products than to be blamed for a shortage of food and clothing," he told the Washington Post. "I have said that repeatedly. I am stronger than ever of that view now, in view of the critical world situation."

To accomplish his goal of plenty, no matter what the future may bring, Brannan is expected to:

1. Announce in a few days a liberal level of price supports for 1951 wheat, and later for the other so-called basic crops of corn, cotton, rice, peanuts and tobacco. The Agricultural Act of 1949 gives Brannan authority to reduce price supports this year from the present 90 percent of parity to 85 percent. Brannan is expected to keep wheat, at least, at the present 90 percent level. He doesn't have to announce support levels for the others for several months.

2. Set liberal acreage allotments on crops where he is required to announce Government goals.

Brannan already has fixed liberal acreage allotments for wheat for next year. This is 72.8 million acres, compared with 60,513,000 acres being harvested this year. (More than 18 percent of the acreage sown to wheat this year was abandoned.)

The proposed increase in wheat acreage is particularly striking for States surrounding the District of Columbia, Maryland, Virginia and West Virginia are asked to plant more wheat for 1951 harvest than ever before. Maryland is asked to plant 383,412 acres, compared with 328,000 this year and 362,000 in 1949; Virginia 508,354 acres compared with 425,000 this year and 472,000 in 1949, and West Virginia 100,943 compared with 70,000 this year and 77,000 last year.

Prospects are for a corn crop this fall only 95.8 percent of the 1949 crop. Wheat will total only 78.8 percent of last year. Oats, barley, and rye are well above last year, but beans are only 84 percent, peas 64 percent and cotton less than 69 percent of 1949.

Demands of the Armed Forces will cut into supplies, so that the bases for figuring supplies is changed since last year. The law requires that Brannan base his acreage allotments for wheat, for instance, upon a total supply—carryover plus the harvest—equal to normal domestic demands, normal export demand plus 30 percent. Brannan is expected to raise that formula considerably.

Mr. JOHNSTON of South Carolina. Mr. President, I yield to the Senator from North Dakota [Mr. Young] 10 minutes.

Mr. YOUNG. Mr. President, the distinguished Senator from Louisiana has

given a very good and an impartial explanation of the conference report. However, as one of the Senate conferees, I should like to make a few comments.

The Senate Committee on Agriculture and Forestry has been laboring with their farm bill for some four months. It has been a daylong job, day after day. I think the bill in its present form represents one of the best pieces of farm legislation considered by Congress for many, many years. It will go a long way toward helping the farmers over the difficult post-war period in which they presently find themselves.

At the present time, farmers are receiving only 39 percent of the consumer's food dollar. Farm prices in general have sunk to approximately 80 percent of parity. In view of that situation, I am quite sure the President of the United States, who, in my opinion, has always been fair, will sign this bill. I certainly hope he will sign it.

Mr. President, I have in my hand the current issue of the U. S. News and World Report. Let me read a paragraph or two from it:

Just ahead is one more round of wage-and-price inflation, one more turn in the upward spiral that's been going on since World War II ended.

Steel wages are to go up by midyear maybe 20 cents an hour. Steel prices then will be raised about \$10 a ton to offset higher wages and other increases in costs. Freight rates are going up 7 percent. Coal wages have just taken an automatic increase. Coal prices are being marked up accordingly.

Aluminum is up. Copper prices are up. Paper prices have been marked higher. Automobile wages will rise automatically. New-car prices on models to come out later this year are likely to be higher.

The article states further that farm machinery and many other things the farmer has to buy will rise in price in the near future.

Everything the farmer has to buy will go up still further in price. That is simply another reason why the failure of the farm bill to become law would create an impossible situation for the farmers of America.

There are about four provisions of the bill which are in major controversy; 4 or 5 provisions to which I think the Secretary of Agriculture has raised objection.

The bill would extend the 90-percent price supports for basic farm commodities for 1 year. This is only a few percentage points higher than the price at which the Secretary himself has indicated he would like to set the price supports for basic farm commodities. He has indicated that he would give cotton producers a support price of 86 percent of parity for this year. He has already set corn prices at 81 percent of parity. He has indicated that the 90-percent support price should be made permanent for the tobacco producers. The producers of other basic farm commodities, with the exception of wheat, would receive price supports of 80 percent of parity, or above. I do not think, therefore, that the objection of the Secretary of Agriculture is well founded. This is only a 1-year provision.

Another important provision of the bill relates to price supports for the feed grains. Feed grains would receive mandatory support at 80 percent of parity. But in order to secure the 85-percent support, a farmer would have to reduce his acreage 15 percent and place that 15 percent acreage cut in the soil bank. After discussing the soil-bank program with farmers in the last 2 weeks, I find that this provision will do more to place land in the soil-bank program than will any other provision of the bill.

The provision will have another very healthy effect, namely, to increase the price of feed grains. At present, cash prices for barley are 70 percent of parity, oats at 73 percent of parity, rye at 59 percent of parity, and grain sorghums at 72 percent of parity. I believe most agricultural authorities in the United States have come to the conclusion that cheap grain prices are largely responsible for the low prices for hogs, beef, and other meats. One of the purposes of the soil-bank program is to improve the prices of feed grains and other farm commodities by curtailing production of these commodities. If we really want to increase the prices of feed grains, this is the best way I know of to do it. If we really want the soil-bank program to work, this is the way to do it.

Another major provision of the bill is that which affects dairy commodities. The bill would raise dairy support prices for butterfat 2.2 cents per pound. This is a reasonable increase in the support price, in view of the ever-increasing costs of operations of the dairy farmers.

Another important provision is the dual parity formula. This is the provision to which I understand the Secretary of Agriculture is most opposed. To me, it is the most important provision in the entire bill.

The modernized parity formula uses as its major factor in determining parity or a fair price the average price which the farmer received during the previous 10-year period. For example, if farm prices continued at 80 percent of parity for the next 10 years, then the 80-percent price which we now have would become the fair price 10 years from now.

For example, the 75-percent support price of 4 years ago is only one-tenth of 1 percent lower than the 80-percent support price today for dairy commodities. We are certainly moving in the wrong direction.

Business uses the favorable period of 1947 to 1949 to determine similar prices. Labor uses exactly the same period—1947 to 1949. To me, this is the most important provision in the bill. I do not know of a greater disservice that could be rendered to agriculture than to subject farmers permanently to the modernized parity formula. If we lost everything else in the bill, save that one provision, agriculture in the end would stand to gain much more. The dual parity formula has its objectionable features, to be sure. It would be far better, however, to continue this until the Department of Agriculture can develop a parity formula that will be more fair to farmers than the so-called modernized formula.

Whether there will be a domestic parity or two-price system for wheat will

depend on whether two-thirds of the wheat farmers approve such a program. That is a tremendous majority. I doubt that two-thirds of the wheat farmers would approve that kind of program. I believe, however, it would be a far better program than the present flexible price-support program, which will remain in effect if the 90-percent support price program in the bill is not approved.

There are many other good provisions of the bill, which the able chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER] discussed in some detail a while ago.

The bill provides for a trial of the two-price system for rice. I think that is a good provision. I think that kind of program should be tried. It has been discussed for many years. It was a Republican program in the 1920's. It will be found today that a great many farmers still think it is a good idea. I believe such a program should be tried.

Mr. President, I ask unanimous consent to have printed as a part of my remarks on the domestic parity wheat plan some figures prepared by the Department of Agriculture.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The price of wheat has very little influence on the price of a loaf of bread.

In January 1948 the price of wheat was \$2.81 a bushel and the national average price of a 1-pound loaf of bread then was 13.8 cents. In February this year (1956) the price of wheat averaged \$1.95 and the national average price of a loaf of bread was 17.6 cents. Thus in this 7-year period, while the price of wheat was down 31 percent, the price of the loaf of bread was up 28 percent.

In February of this year, as noted above, the average price of bread was 17.6. The value of wheat in the loaf was 2.7 cents.

If the price of wheat were raised to 90 percent of parity this would add 7 mills to the value of wheat in the loaf, but it cannot be said that this would be passed on to the consumer—if you consider this fact:

In 1955, with the institution of flexible support instead of the old 90 percent, the actual value of the wheat crop (938 million bushels) was placed by the USDA at \$1,867 million, whereas if the whole crop had sold at the old 90 percent of parity support level, farmers would have received \$2,129 million for the 1955 wheat crop.

Thus the 1955 crop brought \$262 million less than would have been the case if the crop had sold at 90 percent of parity. This difference means that wheat was 12 percent (actual value) under 90 percent of parity.

But what happened?

While wheat was down 12 percent under 90 percent, the price of bread in 1955 rose one-half cent a loaf (national average), or 3 percent.

And, while farmers did not receive the \$262 million that a 90-percent price would have brought, no advantage whatever accrued to consumers of bread, actually the price of bread advanced. The supposed savings to consumers was more than lost between the farmer and the retail store counter.

This, too, is significant:

In 1914 the average hourly wage of a factory worker would buy 3.5 1-pound loaves of bread; in 1929 it would buy 6.4 loaves; in February of this year the average hourly earnings of an industrial employee would buy 11 loaves of bread.

Mr. YOUNG. Mr. President, I do not regard the bill embraced in the pending conference report as perfect, but it is certainly a vast improvement over the present law. It will help farmers greatly to stabilize their income in the future. Certainly it will not immediately give them 100 percent of parity in the market place; it will not give them all they are entitled to; but it will go a long way toward improving farm prices.

I feel that the President of the United States will sign the bill because I feel he is a reasonable man. When he considers all of the factors involved, I hope and feel sure he will sign it.

Mr. KNOWLAND. Mr. President, I yield 20 minutes to the Senator from Vermont [Mr. AIKEN]. Before he starts, I understand the Senator from Massachusetts [Mr. KENNEDY] wishes to introduce a bill and to make a short statement in connection therewith, not to exceed 1 minute.

Mr. KENNEDY. That is correct.

Mr. JOHNSTON of South Carolina. As I understand, the time consumed by the Senator from Massachusetts will not be charged to either side.

Mr. KNOWLAND. Mr. President, with that understanding, I ask unanimous consent that I may yield to the Senator from Massachusetts 1 minute.

AMENDMENT OF RAILROAD RETIREMENT ACT

Mr. KENNEDY. Mr. President, on behalf of myself, the Senator from West Virginia [Mr. NEELY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from Illinois [Mr. DOUGLAS], and the Senator from Montana [Mr. MURRAY], I introduce, for appropriate reference, a bill to amend the Railroad Retirement Act. I ask unanimous consent that the bill be retained in the Secretary's office until the close of business on April 20 for the purpose of adding additional co-sponsors.

The PRESIDING OFFICER. Without objection, the bill will be held in the office of the Secretary, as requested by the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as Chairman of the Senate Labor Subcommittee on Railroad Retirement, it is my intention to hold hearings on this important legislation at a sufficiently early date to insure action by this Congress before it adjourns.

This bill has already received the unanimous approval of all the standard railway labor organizations, whose responsible recommendations have traditionally been given considerable weight by the Congress in determining the rate and benefit structure of their pension system.

In general, the bill contains four major provisions:

First, all benefits, with the exception of some based upon Social Security levels, are increased 15 percent. Today retired railroad workers receive benefits averaging only \$104 a month. Those forced to retire by disability receive on the average only \$95 a month; and the averages of the various types of survivor benefits

range from \$40 to no more than \$62 a month. A modest increase of 15 percent is badly needed at once.

Second, to pay for these increased benefits while keeping the Railroad Retirement Fund actuarially sound, the bill would increase both the carrier and the employee contribution by 1 percent of the taxable payroll, making the total contribution of each $7\frac{1}{4}$ percent or a combined total contribution of $14\frac{1}{2}$ percent of taxable payroll. The results of the latest actuarial valuation of the Railroad Retirement Account admonish against any liberalization of benefits without simultaneously providing additional revenues to defray the cost. We cannot irresponsibly vote generous benefits for those presently retired only to find in subsequent years that we have exhausted the fund to which those presently working had contributed in anticipation of their own secure retirement.

Third, the bill would ease the burden on the active railroad employees of this increased contribution rate by excluding the amount of contributions to the Railroad Retirement Account from income and wages for income-tax purposes. Such a provision is only just. Current railroad employees, who will incur immediately higher costs but no immediate benefits from this bill, will still be paying a higher effective rate of contribution than employees under social security and, of course, private noncontributory pension plans; and the loss in tax revenues to the Federal Government will be considerably less than the loss it would sustain if the system were non-contributory, enabling the carriers to charge off the entire cost as an operating expense on their corporation income tax returns. Even after the increase to $7\frac{1}{4}$ percent under this bill, the carriers—under current corporate tax rates—would be in effect actually paying only 3.48 percent of payroll while the employee—if he paid any income tax at all, and were within the 20-percent profit—would be paying at an effective rate of 5.8 percent. Employee pension contributions in England and Canada are similarly treated—and the cost of most other industrial pension plans in this Nation, being non-contributory, is entirely deductible for tax purposes.

Fourth, a technical, noncontroversial section of the bill places in the Railroad Retirement Board the authority to make disability freeze determinations for career railroad workers. This classification will facilitate administration of the present act, expedite the adjudication of claims and save administrative costs.

In closing, I should like to urge the Senate to give most careful consideration to the bill that I have introduced in the light of the pressing needs of railroad men and women all over the country for immediate relief. We must not be deterred by any dissuading voices from keeping our eye on the main objective: that of furnishing needed relief to tens of thousands of retired railroad workers all over the country who are looking to the Congress of the United States for prompt and effective action

along the modest lines proposed in this bill.

Mr. President, I ask unanimously consent that the bill may be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3616) to amend the Railroad Retirement Act of 1937 to provide increases in benefits, special disability determinations for railroad employees, and for other purposes; and to amend the Railroad Unemployment Insurance Act, introduced by Mr. KENNEDY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 3 (a) of the Railroad Retirement Act of 1937 is amended by striking out "2.76", "2.07", and "1.38" and inserting in lieu thereof "3.18", "2.38", and "1.59", respectively.

(b) (1) So much of section 3 (e) of such act as precedes "Provided, however" is amended to read as follows: "(e) In the case of an individual having a current connection with the railroad industry, the minimum annuity payable shall, before any reduction pursuant to section 2 (a) 3, be whichever of the following is the least: (1) \$4.76 multiplied by the number of his years of service; or (2) \$79.35; or (3) his monthly compensation;"

(2) he said section 3 (e) of such act is further amended by adding the following: "For purposes of this subsection and all purposes of the Social Security Act, the Board shall have such authority to determine a 'period of disability' within the meaning of section 216 (i) of the Social Security Act, with respect to any employee who will have filed application therefor and (i) have completed 10 years of service or (ii) have been awarded an annuity, as the Secretary of Health, Education, and Welfare would have to determine such a period under such section 216 (i) if the employee would meet the requirements of clauses (A) and (B) of paragraph (3) of such section by considering all his employment as an employee after 1936 to be 'employment' within the meaning of the Social Security Act, and his quarters of coverage were determined by presuming his compensation in a calendar year to have been paid in equal proportions with respect to all months in which he will have been in service as an employee in such calendar year: *Provided*, That no such period of disability shall be deemed to have begun if the employee died before July 1, 1955: *Provided, further*, That an application for an annuity filed with the Board on the basis of disability shall be deemed to be an application to determine such a period of disability, and such an application filed with the Board on or before the enactment of this proviso, shall, for the purpose of this subsection, be deemed filed after December 1954 and before July 1957: *And, provided further*, That, notwithstanding any other provision of law, the Board shall have the authority to make such determination on the basis of the records in its possession or evidence otherwise obtained by it, and a determination by the Board with respect to any employee concerning such a 'period of disability,' shall be deemed a final decision of the Board determining the rights of persons under this act for purposes of section 11 hereof; and such a determination by the Board of a period of disability for an employee shall, for the purposes of section 5 (k) (2) of this act, be considered a determination of such a period for such employee

by the Secretary of Health, Education, and Welfare under section 216 (i), and to meet the conditions of section 222, of the Social Security Act."

Sec. 2. (a) The first sentence of section 5 (f) (2) of the Railroad Retirement Act of 1937 is amended by striking out "and 7 per centum of his or her compensation after December 31, 1946 (exclusive in both cases of compensation in excess of \$300 for any month before July 1, 1954, and in the latter case in excess of \$350 for any month after June 30, 1954)", and inserting in lieu thereof "7 per centum of his or her compensation paid after December 31, 1946, and prior to July 1, 1956, and 8 per centum of his or her compensation paid after June 30, 1956 (exclusive of compensation in excess of \$300 for any month before July 1, 1954, and in excess of \$350 for any month after June 30, 1954)."

(b) Section 5 (h) of such act is amended by striking out "\$30", "\$160", and "\$14" wherever they appear and inserting in lieu thereof "\$34.50", "\$184", and "\$16.10", respectively.

(c) Section 5 (k) (1) of such act is amended by striking out the phrase "for the purposes of sections 203 and 216 (i) (3) of that act" and inserting in lieu thereof the phrase "for the purposes of section 203 and, with respect to an employee who will have completed less than 10 years of service, section 216 (i) (3) of that act."

(d) Section 5 (k) (3) of such act is amended by inserting in the first sentence after the word "service" the words ", of determinations under section 3 (e) of this act, or under section 216 (i) of the Social Security Act, of a 'period of disability' within the meaning of such section 216 (i)," and after the phrase "this section" the phrase ", section 3 (e) of this act,"

(e) Section 5 (l) (10) of such act is amended by striking out "40", "10", "\$14", "\$33.33", "\$25", and "\$13.33" wherever they appear and inserting in lieu thereof "46", "11½", "\$16.10", "\$38.33", "\$28.75", and "\$15.33", respectively.

Sec. 3. All pensions under section 6 of the Railroad Retirement Act, all joint and survivor annuities and survivor annuities deriving from joint and survivor annuities under that act awarded before July 1, 1956, and all annuities under the Railroad Retirement Act of 1935 are increased by 15 percent.

Sec. 4. (a) Sections 3201, 3202 (a), 3211 and 3221 of the Railroad Retirement Tax Act are each amended by striking out "after December 31, 1954" wherever it appears and inserting in lieu thereof "after June 30, 1956", and by striking out "after 1954" and inserting in lieu thereof "after June 1956."

(b) (1) Sections 3201 and 3221 of such act are each amended by striking out "6¼ percent" and inserting in lieu thereof "7¼ percent."

(2) Section 3211 of such act is amended by striking out "12½ percent" and inserting in lieu thereof "14½ percent."

Sec. 5. Sections 3201 and 3211 of the Railroad Retirement Tax Act are each further amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of law, the amount of the tax imposed on the income of any individual by this section shall be excluded from such individual's gross income for purposes of chapter 1 and from individual's 'wages' for purposes of chapter 24."

Sec. 6. (a) The amendments made by subsections (a) and (b) (1) of the first section of this act and by subsection (b) of section 2 shall be effective only with respect to annuities (not including annuities to which section 3 applies) accruing for months after June 1956. The amendments made by subsection (e) of section 2 shall be effective only with respect to annuities accruing for months after June 1956 and lump-sum payments (under sec. 5 (f) (1) of the Railroad

Retirement Act of 1937) in the case of deaths occurring after June 1956. Section 3 shall be effective only with respect to pensions due in calendar months after July 1956 and annuities accruing for months after June 1956.

(b) The amendments made by section 4 shall be effective only with respect to compensation paid after June 30, 1956, for services rendered after such date. The amendments made by section 5 shall apply with respect to taxable years ending after June 30, 1956, but only with respect to compensation paid after such date for services rendered after such date.

SEC. 7. Section 11 (c) of the Railroad Unemployment Insurance Act is hereby amended by inserting after the phrase "the Board", where this phrase appears the third time in that section, the following: "and expenses, tuition, and salaries of employees designated by the Board to attend courses of instructions or training at institutions whether or not conducted by the United States."

SEC. 8. The amendments made by sections 1 (b) (2) and 2 (d) hereof shall be effective with respect to annuities accruing for months after June 1955.

AGRICULTURAL ACT OF 1956— CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes.

Mr. AIKEN. Mr. President, I had hoped Congress might pass and send to the President's desk a farm bill which would materially improve the lot of the farmers this year, and in the succeeding years would increase their income without doing violence to any agricultural group or to any class of farmers. It appears that my hopes are not to be realized.

Although the bill as it passed the Senate was bad enough, the work of the conference committee has made it worse.

As the bill now stands, it discriminates against the livestock producer, the dairyman, the fruit grower, the poultryman, and the vegetable grower. It even discriminates against a number of farmers who produce grain and who are supposed to benefit most from the bill.

The bill discriminates against the small farmer in favor of the large producer.

The conferees took from the bill provisions inserted by the Senate for the special protection of the tenant farmer.

They removed the limitations on payments which were in the bill as it passed the Senate so that now the sky is the limit on payments to the big producers.

All the small farmer can look forward to, should the bill become law, is higher costs of production and, in the case of many thousands of farmers, the eventual abandonment of their farms.

The livestock producer will find that the safeguards against mis-use of soil bank acres which were in the Senate bill have been deleted. Certainly, the deletions of such safeguards by the conferees will do little to discourage the grazing of livestock on soil-bank land.

The cottongrower can get little comfort out of the conference report. Originally, the administration had planned a strong program to regain the domestic and foreign cotton market for the American producer. That program would be smashed by this bill. The welfare of both cotton producers and American cotton manufacturers would be sacrificed on the altar of political expediency.

Any claim that the restoration of 90 percent supports and dual parity, as agreed to by the majority of the conferees, will benefit American agriculture must be made with a disregard for the facts. Agricultural income dropped steadily for 5 years. Almost 90 percent of the drop in farm income took place when rigid supports and dual parity were in effect. All of the recovery in farm prices in recent months has taken place since flexible supports have been in effect.

Now I should like to discuss particularly 2 or 3 provisions of the conference bill.

Some assume that the wheatgrowers will be sitting pretty with the provisions of this bill, especially the domestic parity program for wheat.

A couple days ago, I received a letter from Mr. Herbert Hughes, setting forth the virtues of the domestic parity plan for wheat, as he sees them.

I have no doubt that Mr. Hughes understands the wheat business thoroughly. I understand that he is a large and very successful wheat producer, besides having other successful business interests.

It appears to me, however, that Mr. Hughes views this subject through the eyes of a large producer, and without full knowledge of what the plan he so ardently sponsors would do to the small farmer who grows only a few acres of wheat, and perhaps grows that in rotation with other crops.

I wish to quote from Mr. Hughes' letter, and to point out what some of the things which he thinks would be of benefit to large producers would do to the small wheatgrower or the family-size farm.

First, I ask unanimous consent to have Mr. Hughes' letter in full made a part of the RECORD, and then I shall quote excerpts from the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
WHEAT GROWERS,
Imperial, Nebr., April 7, 1956.

HON. GEORGE D. AIKEN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR AIKEN: Soon you are going to vote on a farm bill. It is important to everyone—the laborer, the businessman, and the farmer. Although I am president of the National Association of Wheat Growers, I am first a dirt farmer, doing much of my own work on an average sized farm.

Because it is so important, I hope you will consider carefully the following facts about domestic parity, the program on which wheat producers have worked for many years and in which we believe sincerely. It is supported by other segments of the wheat industry.

Domestic parity will reduce controls by abolishing the marketing quotas which have been so objectionable to farmers. Small farmers in both commercial and noncommercial areas will be able to produce wheat for feed on their own farms without the penalties which marketing quotas have required. Farmers in commercial areas will be encouraged to produce quality wheat.

The same farmers who in the past have voted on marketing quotas will vote for or against domestic parity. There will be no change in the voting procedure which has been in effect since 1939. The referendum on domestic parity will be held at the same time as the marketing quota referendum and will actually give them a choice between two systems.

The corn producer will benefit from the domestic parity program for wheat because the program will work toward a decreased supply of feed grains. Farmers who have been growing barley, oats, or sorghums on their acres diverted from wheat will gradually shift to the soil bank or back to wheat. As you may know, wheat produces a smaller quantity of feed units per acre than other grains.

Poultry and dairy farmers in feed deficit areas, like the East and Northeast, will benefit because they can then produce their own feed or purchase feed wheat produced locally at a price they can afford to pay.

The taxpayer will benefit because he will be relieved of high-level Government support of wheat prices. Wheat moving into export markets will require vastly reduced export subsidies. Wheat for the feed market will carry a very low support level.

The grain trade will benefit because the domestic parity program works toward getting Government out of the business of buying, storing, and selling wheat.

Labor and business will benefit because this program will help stabilize the income of the wheat grower at a level where he will be a good customer for the things they make and sell.

Thank you for taking the time to read what I have had to say about domestic parity. As far as the wheat grower is concerned, it is the most important part of the present farm bill. It is the only program, as we see it, that can be counted on to expand markets over the years, and increase income of producers in the market place.

I sincerely hope we will have your support for domestic parity when it comes to a vote.

Respectfully yours,

HERBERT HUGHES, *President.*

Mr. AIKEN. Now let me quote excerpts from this letter:

Domestic parity will reduce controls by abolishing the marketing quotas which have been so objectionable to farmers.

Mr. President, the so-called domestic parity plan will not reduce controls. True, it would eliminate marketing quotas. But it retains acreage allotments and substitutes domestic food quotas for marketing quotas. From the standpoint of the processor who would be required to buy certificates under this plan, controls would be greatly increased. From the standpoint of the small farmer, the controls required by this plan would be much more burdensome than those now in effect.

Again I quote from Mr. Hughes' letter:

Small farmers in both commercial and noncommercial areas will be able to produce wheat for feed on their own farms without the penalty which marketing quotas have required.

All farmers in the noncommercial wheat area are now permitted to grow

wheat for use as feed without penalty. The small wheat farmer in the commercial area would be much worse off under this plan. At the present time the small wheat farmer can grow up to 15 acres of wheat, either to use as feed or to sell, without penalty. The so-called domestic parity plan abolishes this 15 acre minimum acreage protection for the small farmer.

Under subsection 379k (c) of the conference bill, the small farmer can be forced to comply with allotments as small as 1 acre—and perhaps even less—as a condition of eligibility for price support and marketing certificates. Even after he complies, the small farmer will receive marketing certificates for only about one-half of his production.

I quote again from Mr. Hughes' letter: Farmers in commercial areas will be encouraged to produce quality wheat.

There is not one provision in the conference bill that provides any recognition for quality wheat production.

Under section 379 (c), the domestic wheat quota is to be distributed to all wheat growers on the basis of their historical production, without regard to the quality of wheat they have been growing. The man who produces wheat entirely for use as feed would be entitled to receive domestic food certificates in exactly the same proportion as the man who produces a quality wheat that is used for domestic food consumption. The result will be to tax the quality wheat producer for the benefit of the man who now produces feed wheat on a large scale.

The domestic parity plan makes no allowance for the fact that wheat is not a single commodity. There are five major classes of wheat. Some are largely used for human consumption, while others largely go into export, feed, or Commodity Credit storage.

Statistics show the percentage of production used for domestic human food is five times as high for hard red spring wheat, such as is grown in Minnesota, the Dakotas, and Montana, as it is for white wheat.

I ask unanimous consent to have a table on the use of wheat for domestic flour printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1942-51 average quantity of United States wheat used for domestic flour¹

Type of wheat	Percentage of production used as flour	Quantity used as flour (millions of bushels)
Hard Red Winter.....	39.7	206
Soft Red Winter.....	52.5	95
Hard Red Spring.....	61.5	134
Durum.....	63.2	24
White.....	12.0	16
Average.....	43.6	475

¹ Does not include 10 million bushels used for breakfast food.

Mr. AIKEN. The table shows that the percentage of hard red winter wheat used as flour is 39.7 percent; of soft red winter wheat, 52.5 percent; of hard red spring wheat, 61.5 percent; of durum

wheat, 63.2 percent; and of white wheat, 12 percent.

Yet, under this domestic parity plan for wheat, growers who now have 63 percent of their crop used for flour and milling purposes will get certificates to sell only approximately 50 percent of their crop for that purpose, and growers who now produce wheat of which only 12 percent is used for milling purposes will also get certificates entitling them to sell 50 percent of their crop for the full 100 percent parity price.

Is it any wonder that the white wheat producers of certain areas are for a plan which would classify about 50 percent of their production as domestic human food, entitled to 100 percent parity price, when the average amounts so used have been only about 12 percent?

I again quote from Mr. Hughes' letter: The same farmers who in the past have voted on marketing quotas will vote for or against domestic parity.

This is true, but more farmers will be directly affected by the domestic parity plan. Producers with 15 acres or less have been excluded from voting on marketing quotas because of the 15-acre-quota exemption. But there is no 15-acre exemption under the domestic parity plan. All wheat producers would be affected, but only those with more than 15 acres would be allowed to vote. Over one-half of the total wheat producers in the Nation would be disfranchised. And the percentage of growers who would be entitled to vote on whatever kind of program would be set up to serve their destiny ranges from about 95 percent in the State of North Dakota to only 2 percent in the State of Wisconsin. I repeat, only two percent of the wheat growers in the State of Wisconsin would be permitted to vote on what kind of program they want.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I cannot yield, unless I have more time later.

If there is to be a referendum on this plan, equity would require that small wheat growers, whose very existence is at stake, be allowed to vote. Equity would also require that the producers of corn and other feed grains be permitted to vote since the obvious effect of this plan would be to dump wheat surpluses into the domestic feed market.

I quote again from Mr. Hughes' letter. I am quoting Mr. Hughes particularly because he is president of the National Association of Wheat Growers. Mr. Hughes says:

The corn producer will benefit from the domestic parity program for wheat because the program will work toward a decreased supply of feed grains.

He also says:

Poultry and dairy farmers in feed deficit areas, like the East and Northeast, will benefit because they can produce their own feed or purchased feed wheat produced locally at a price they can afford to pay.

He also says:

Wheat for the feed market will carry a very low support level.

These statements are patently contradictory. The feed grain producer cer-

tainly, cannot be benefited by a plan that encourages feed deficit areas to produce their own feed, or a plan that makes feed wheat available so cheaply that feed deficit areas cannot afford to buy other grains, particularly corn. The livestock, poultry, and dairy markets are national markets. Increased production of these products in any area affects all areas.

I quote again from Mr. Hughes' letter: The grain trade will benefit.

He also says:

Labor and business will benefit.

It is the only program as we see it, that can be counted on to expand markets over the years and increase income of producers in the market place.

Mr. President, any benefits that large wheat farmers might reap as a result of this plan—and it is by no means certain that such benefits would actually materialize—would be at the expense of other farmers. This plan would mean, first, reduced income to the small wheat farmers; second, increased surpluses of feed grains; and third, lower livestock and poultry and dairy prices.

It is extremely doubtful that this plan would result in any appreciable increase in our exports of wheat. We are already meeting competition in the world market by subsidizing wheat exports and by selling wheat for foreign currencies under Public Law 480. The real effect of this proposal would be to dump surplus wheat into the domestic feed market. That could only be done at the expense of other farmers who are trying to make a living out of the production of feed grains for livestock, poultry, and dairy products.

Mr. President, on March 13, in the debate in the Senate on S. 3183, later passed as H. R. 12, a letter was placed in the RECORD to prove that the Canadian wheat growers favored the 3-price wheat plan now included in the conference report. The letter, dated March 12, was sent to the Senator from Kansas [Mr. CARLSON] by the same Herbert J. Hughes; and it will be found in the CONGRESSIONAL RECORD of March 13, on page 4066.

I know that the Senator from Kansas inserted the letter in the RECORD in good faith. However, in a telegram which W. J. Parker, president of the Manitoba Pool Elevators, sent under date of April 10 to the Senator from Kansas, there is specific reference to the March 12 letter of Mr. Hughes; and in the telegram it is pointed out that there is a "misunderstanding between Mr. Hughes and Canadians on this matter." It is quite evident that the Canadian wheat producers are not reassured with respect to the domestic parity program, and repudiate representations that they endorse it.

Mr. President, I have already asked consent of the Senator from Kansas to insert the telegram in the RECORD. Therefore, at this time I ask unanimous consent to have the telegram from W. J. Parker to the Senator from Kansas, under date of April 10, 1956, printed at this point in the RECORD, as a part of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Hon. FRANK CARLSON,
United States Senate,
Washington, D. C.:

Reference Mr. H. J. Hughes letter March 12 addressed you re two price plan wheat. Canadian farm leaders at Geneva understood Mr. Hughes information re proposed legislation was given us as matter of courtesy. Obviously on meager information given verbally by Mr. Hughes, we were not competent to assess ultimate impact of suggested legislation on our competitive position in international wheat market and no considered opinion was expressed by us. We did not understand that Mr. Hughes had been requested by Secretary Benson to seek Canadian farm leaders' opinion of proposed wheat legislation. I greatly regret the evident misunderstanding between Mr. Hughes and Canadians on this matter and trust you will appreciate our position.

W. J. PARKER,
President, Manitoba Pool Elevators.

Mr. AIKEN. Mr. President, now I wish to refer to the two-price plan for rice. The adoption of this plan might well cost us the Cuban market. Cuba is our most important export market for rice. The plan, in effect, imposes a tax on the processing of rice for consumption in the United States and Cuba. A loophole in this bill would permit Cuba to evade this tax by buying rough rice. The plan would not work satisfactorily without the inclusion of Cuba in the primary market.

The value of the proposed certificate exceeds the tariff preference which the United States now has in the Cuban market. Even if Cuba were to increase the tariff preference on United States rice, our ricegrowers would still lose, as the increased price of rice in Cuba would stimulate increased Cuban production.

The rice plan violates our commitments under the general agreement on tariffs and trade. It is of doubtful constitutionality.

On January 15, 1956, the parity price of rough rice was \$5.42 per hundredweight. The cost of 1956 marketing certificates per hundredweight of rough rice—35 percent of parity—is \$1.90.

Rice shrinks about one-third in the milling process; therefore the cost of certificates would be roughly \$2.50 per hundredweight of milled rice. The United States now has a tariff preference of 90 cents per hundredweight of milled rice in the Cuban market. Thus, the certificate plan would destroy our present preference in the Cuban market, and would create an artificial disadvantage of \$1.60 per hundredweight of milled rice.

In the 1954-55 marketing year, Cuba took 3,391,000 hundredweight or 34 percent of our total exports of 9,848,000 hundredweight, milled basis.

The provisions in the conference report for the establishment of base acreages for small grains and mandatory supports for small grains are likely to cause trouble not only for the dairy and poultry producers of the country, who would experience a sharp increase in their production costs, but also for the producers of these grains themselves.

On page 4, paragraph (c) of subtitle A, we find this proviso:

(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955.

Going over to page 22, we find in paragraph (d) of section 408 the following:

The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage-reserve program for feed grains or the conservation-reserve program equal to 15 percent of the farm base acreage established for such feed grains under section 203 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 percent of such farm base acreage for feed grains.

Under the provision establishing a base acreage for feed grains, and to qualify for price supports, we find that a very substantial reduction in planning is required for the year 1956.

I have had this matter checked for certain States. There is in the rear of the Chamber a chart showing the percentage by which each State would have to reduce its planting of feed grains in order to qualify for price supports. I shall read into the RECORD some of the percentages. I find that the percentage of reduction from the 1955 planting in each of these States is as follows:

	Percent
Colorado.....	29
Texas.....	26
Oklahoma.....	23
Washington.....	40
North Dakota.....	27
New Mexico.....	35
Montana.....	30
Missouri.....	24
Idaho.....	25
Oregon.....	26

The result would be about the same in the rest of the country—a 25 to 40 percent mandatory reduction in planting in all States where feed grains are produced and where diversified farming is practiced.

So, in addition to the reduction required in order to establish a base acreage under section 203, we find that under section 408 a further reduction of 15 percent would be necessary if the producer were to get any price support at all for his crop.

For instance, in the State of Washington, in order to qualify for 85 percent of parity price support for oats—or an increase of 15 percent over the present support price as provided for in the conference report a producer of oats or barley in that State would have to reduce his acreage 40 percent. It is obvious that that would be a losing proposition for him.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The time of the Senator from Vermont has expired.

Mr. AIKEN. Mr. President, I ask the Senator from California to yield additional time to me; I believe that five minutes more will be all that I shall need.

Mr. KNOWLAND. I yield an additional 5 minutes to the Senator from Vermont, Mr. President.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 additional minutes.

Mr. AIKEN. I thank the Senator from California.

Mr. President, what I am trying to point out is that, in addition to the reduction required in order to establish a base acreage under section 203, we find that under section 408 a further reduction of 15 percent is necessary if the producer is to get any price support at all for his crop.

Of course, this latter 15 percent reduction would carry some compensation in the form of soil bank payments.

What I am trying to point out is that with oats, barley, and sorghum supported at 70 percent anyway, under the present law, the increased support to 85 percent provided in this conference report would actually mean a considerable reduction in the income of the producer if he had to reduce his planting one-third in order to get an increased 15 percent in supports.

The effect of the mandatory supports for feed grains as I see it not only would mean greatly increased cost of production for the dairyman, the livestock producer, and the poultry grower, but could actually bring about reduced income for the producer of the grain himself.

Congress has now delayed this legislation so that the soil bank can hardly be effective this year. We have good farm laws on the books at the present time. They have not had much opportunity to work up until now; but since the Agricultural Act of 1954 has taken effect with the crops of 1955, we have seen a steady but gradual rise in the farm price level. It has risen quite substantially during the past 3 months. I believe this rise will continue throughout the remainder of this year, although not in a spectacular manner.

The soil bank would have helped, but with the other provisions added by the Senate and the conferees, nearly every agricultural area in the United States would be more harmed than helped by this bill.

It would be better to do the best we can with the program we now have in operation. The bill as it now stands is completely unacceptable to the administration. I shall vote against the conference report, in the interest of American agriculture, and I strongly urge all other Members of the Senate to do the same.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 minutes to the distinguished Senator from North Carolina [Mr. SCOTT].

Mr. SCOTT. Mr. President, today I am hopeful that we are at the end of what has been a long and trying ordeal.

As we approach the final vote on the new farm bill I ask, with all sincerity, that we pause and give serious thought to what we are trying to do. In the heated debate during the past several weeks

fury has replaced reason in some cases, and solutions have been fogged by side issues.

If we keep gnawing the trough there will be no water left.

There is one thing, and one thing alone, that we are setting out to do in writing new farm legislation. We are attempting to help the farmers of this Nation regain their rightful place in our overall economy.

Our farm economy is almost \$3 billion a year short of what it should be. It is the responsibility of Congress to bring about conditions that will channel this much money back into the farm economy. In plain words, we must help increase farm income.

For many months now I, along with other members of the Agriculture and Forestry Committee, have heard many farmers tell us what their problems are. We have heard many ideas as to how the problems could be solved.

After months of hearings and many hours and weeks of deliberation, we have a farm bill before us. I doubt if any Senator would say that it is a perfect bill. Certainly, there are many things in it that I do not like; but taken as a whole, it will help increase income on this year's crops. After all, that is what we are trying to do.

Unfortunately, I am afraid that we have spent about as much time talking about politics as the issue itself.

To put it bluntly, the effect this legislation has on the November elections is unimportant. The important thing is to get additional purchasing power into the hands of the farmers, and get it there immediately.

In all the debate I have heard on this subject my ears have become a little threadbare with all the talk about whether or not this phrase or that clause is in line with the order of the day from the White House.

Day in and day out, as I listened to debate on this legislation, I was told that this section or that provision would not meet the approval of the President. I heard that this or that would mean a veto.

In all the talk and debate it was hard to find that the administration was concerned about what would meet the needs of the farmer. Instead it has been a question of what would meet the needs of the White House.

From what I have seen and heard, one might think that we were writing a private Eisenhower bill instead of a national farm bill.

Personally, I do not know whether the President would veto the bill as it is now written. I have a strong suspicion that when the time comes he must swallow his pride and sign the bill for the sake of millions of farmers. At least, I hope so.

If the 90-percent parity provision of the bill is against the principles that guide the President, I hope he will see fit to go back to the principles on which he campaigned in 1952.

With no ifs, ands, or buts, to use his own words, he was for the principles involved in this bill in 1952. I can see no reason why the principles of 1952 will not work in 1956.

With these thoughts in mind, I sincerely believe that it is time for us to get down to brass tacks and approve the conference report immediately. Until we do, we are dilly-dallying with the economic well-being of millions of people.

Mr. KNOWLAND. Mr. President, I yield 15 minutes to the distinguished Senator from Mississippi [Mr. EASTLAND].

Mr. EASTLAND. Mr. President, in my judgment, the Senate conferees have done the very best they could. I desire to thank and congratulate our conferees. They have improved the bill as it left the Senate.

I cannot vote for the conference report, for several reasons. I think the economy of the State of Mississippi is dependent upon cotton to a greater extent than is the economy of any other State in the Union. We have had a system by which there has been continual acreage reduction. We have screamed for 90 percent of parity; but, when we consider the acreage reduction, the farmers' income has been drastically less than 90 percent of parity. Today, with acreage reduction, it stands at approximately 52 percent of parity income.

This conference report would continue that system. In my candid judgment it would destroy the American cotton industry.

There are several things which are fundamental. A few years ago the American cotton industry exported between 6 million and 8 million bales of cotton a year, and enjoyed between 50 and 60 percent of the world's export cotton market. Today that has shrunk to less than 30 percent; and if we follow the street we are now following, which is a one-way street, the acreage allotments will become less and less each year.

We have seen that, as we have had acreage reductions in the United States, foreign producers, largely financed by American capital, have expanded their acreage and have taken over markets which were formerly enjoyed by the American cotton farmer.

There is one fundamental factor which underlies the whole program, and that is that the United States Government, with the stocks of the Commodity Credit Corporation in excess of 7 million bales of cotton—stocks which will reach in time, in my judgment, 10 million bales—must put on an export sales program to assist the American cotton grower in regaining and expanding his share of the cotton market. Such a provision was in the bill which passed the Senate. Not by the fault of the Senate conferees, that provision was deleted from the bill.

What has happened? We have held an umbrella over foreign cotton production. The road is now open for a continuation of that acreage expansion.

It was said that an export sales program would be announced. So it was. However, an export sales program by administrative order is not as effective as an export sales program which is written into the law.

The State Department, as I have said a number of times on the floor of the Senate, is not an American agency of

government; it protects and promotes the interests of foreign agriculture against the welfare of the American people. I know that since the export sales provision was stricken from the bill, the State Department has been bringing pressure against the export sales program which would reduce its effectiveness in the interest of the American farmer.

Mr. President, 5 or 6 large international cotton organizations are financing an increase in cotton production in Latin America. I am sorry to say they have more influence in the State Department than has American agriculture.

Therefore I say I do not blame the Senate conferees. They did what they could do. Nevertheless, an export sales program is fundamental to the preservation of the American cotton industry and such a provision should be in the law. It has been stricken from the bill.

I said that we were on a one-way street, that acreage allotments would get lower and lower each year, and that the American cotton industry was on the verge of collapse. We must meet foreign competition abroad; we must have the aid of the American Government, and we must meet the competition of synthetics in the United States on a quality basis.

Under the bill as agreed to in conference, foreign cotton growers will again expand their acreage. It is fundamental that we must prevent further expansion in cotton production abroad. Last year Egypt increased its acreage by 250,000 acres. India increased its acreage by 1,200,000 acres, and it has a program for a much larger acreage expansion. In the past 4 years Mexico has increased its acreage by a million acres, practically doubling its production. These increases have come about at the expense of the American cotton grower.

While we have reduced our acreage, in an attempt to keep world supplies within world demand, foreign countries, which have enjoyed the benefits of our price-support program, have increased their acreage, and have taken our markets away from us.

Let me say that while we will export about 2 million bales of cotton this year, against a normal export of about 6 million bales, half of the 2 million bales will be given away under different aid programs.

The largest market we have left is the domestic market, which amounts to about 9 million bales of cotton a year.

When we fix a price, as the bill does, at a rigid 90 percent, we hold an umbrella over the producers of synthetic fibers, and we deny the cotton producer the opportunity to compete for the domestic market in the fiber field.

Synthetic fiber producers will proceed with current and future planning for expansion under the provisions of the bill. In 1955 alone the equivalent of 978,000 bales of cotton were supplanted by the increase in rayon production. These fibers now enjoy the equivalent of 4,800,000 bales of cotton in the domestic fiber market of the United States. That is largely because the American grown cotton has been priced too high.

Beginning a year ago, and for a 3-year period, contracts were let, and there are now in production new rayon plants to the tune of \$155 million. The new rayon production will, in my judgment, supplant about 2 million bales of cotton in the domestic fiber market.

What we must do in the cotton industry is to be more competitive with synthetic fibers in the United States and to be more competitive in the international market. We must have the aid and assistance of the United States Government. When there was stricken from the bill the provision for a mandatory export sales program, which would regain and recapture and expand our normal share of the world cotton market, there was stricken the provision which would be of the greatest benefit to the American cottongrower.

For these reasons, and for the reason that the price support is again linked to seven-eighths inch Middling cotton, I must vote against the conference report. The latter provision would permit the discount in the markets of the short, low-grade cotton, which is not merchantable, and which is grown largely in one congressional district in the United States. It is grown largely for the loan. It is grown largely to be sold to the United States Government. We accumulated a great surplus of such cotton, and that surplus reduced the acreage allotments in every cotton-growing State in the United States.

Mr. President, we shall have, under this bill, the same old surplus which has brought the American cotton industry to the brink of destruction. What we must realize is that acreage allotments must be based on markets, and that in the long run they will be based on markets. Acreage allotments must be based, also, upon our ability to sell a commodity which in the long run will pay. It goes without saying that farmland values will be based upon the market for farm products. So, Mr. President, the road which we must follow is a road which will expand markets and place the cotton industry upon a sound basis.

For those reasons, Mr. President, I shall cast my vote against the conference report.

Mr. KNOWLAND. Mr. President, after consultation with the acting majority leader, I ask unanimous consent that we may have a quorum call without the time being taken out of either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LANGER in the chair). Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 minutes to the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I am going to vote for the adoption of the conference report. Personally, I feel it is

imperative that farm legislation be enacted at this session of Congress. In the face of rising national income, net farm income has fallen 32 percent in the past 4 years.

Despite the strong demand for farm products, the farmer is caught in his own quicksand of surplus production. While it is true that this rather complex piece of legislation affects agriculture directly, it will also affect indirectly all segments of our Nation's economy.

The conference report before the Senate not only carries temporary relief for the farmer this year, but carries many provisions which will be of permanent benefit.

I have no doubt that every Member of this body can find some objectionable feature in the conference report bill, but even one or two or more objectionable features, in my opinion, do not warrant the rejection of this report.

The farmer expects this Congress to enact farm legislation, and this is our opportunity to do so. President Eisenhower, in a special farm message to Congress, stated:

Although agriculture is our basic industry, farm families find their prices and incomes depressed amid the Nation's greatest prosperity.

An oversupply of commodities drives down prices as mounting costs force up from below, generating a severe price-cost squeeze.

Remedies are needed now, and it is up to the administration and the Congress to provide them swiftly. As we seek to go forward, we must not go back to old programs that have failed utterly to protect farm families.

This conference report provides for a 90 percent parity for this year, 1956. It creates for the first time a soil bank program which I think is not only timely but has great long-range possibilities. However, I do not see how it can be effective in getting needed financial relief into the farming areas this year.

Those of us who are familiar with farming operations realize that at this season of the year, the farmers have already made their plans for the planting and harvesting of their crops. It is for that reason that I believe there is sound justification for a loan price support program which will assure the farmers 90 percent of parity for this year. Next year the farmers will have an opportunity to make plans to place some of their acreage in the acreage reserve and the conservation reserve programs of the soil bank.

I do not believe that either rigid or flexible parity is the solution to the farm program. We have tried both. It is my opinion that we must begin to take a new look at the entire farm picture, with a view of securing for the farmer his fair share of the national income, based on domestic consumption.

This conference report provides machinery for the marketing of two of our farm commodities on a domestic parity or domestic consumption basis.

I believe the day has passed when we can expect the American farmer to buy his farm machinery, his labor, pay his taxes and pay for his utilities on a domestic price level and then even suggest that we have a farm price parity level

which will make him sell his commodities at a world level market.

It is for that reason that I believe a sound program for American agriculture must be built on a commodity by commodity approach. In other words, we must fashion a weapon to meet the problems and the needs of each commodity.

Mr. President, the Senate this afternoon has an opportunity to vote for legislation which will give some temporary relief to agriculture, establish for the first time in the Nation's history a soil-bank program and provide for domestic parity on two of our important farm commodities.

The conference bill, if enacted, will give the farmer an opportunity to share in our expanding national prosperity, and, in all fairness, I do not see how we can do less.

Mr. WELKER. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I will yield if I have time remaining.

Mr. WELKER. I have noted with much interest the remarks of my esteemed colleague from Kansas. I know he feels, as I feel, that the farmer must be helped. I wonder if the distinguished Senator from Kansas can tell me where in the farmers of Idaho will be helped by the bill.

The PRESIDING OFFICER. The time of the Senator from Kansas has expired.

Mr. CARLSON. May I have an additional minute?

Mr. JOHNSTON of South Carolina. I yield 1 additional minute to the Senator from Kansas.

Mr. CARLSON. I appreciate the great interest the junior Senator from Idaho takes in agriculture and in legislation in behalf of the farmer.

The soil-bank program provided for in the bill has, I think, the possibility of affording long-range benefit to agriculture and to the Nation as a whole, it is a most important step.

I think the 90 percent of parity provision will provide some relief for this year. I do not think the rigid or the flexible parity program is the answer.

The program adopted provides an approach, commodity by commodity, including wheat, which I know is raised in the State of the Senator from Idaho. I am confident that this is the kind of program we shall have to establish in the Nation if we expect to improve the condition of wheat farmers on the basis of domestic production.

Mr. WELKER. I voted with the Senator from Kansas for the parity plan for wheat. I have some scruples with respect to whether or not I voted correctly. Certainly the Senator from Kansas knows the conditions in my State well enough to realize that the soil bank provision of the bill cannot and will not affect my State.

The PRESIDING OFFICER. The additional minute allotted to the Senator from Kansas has expired.

Mr. WELKER. I ask unanimous consent, Mr. President, that I may have one additional minute.

Mr. JOHNSTON of South Carolina. The time to be allotted to the Senator from Idaho would have to be yielded by the other side.

Mr. KNOWLAND. I yield 1 minute to the Senator from Idaho.

Mr. WELKER. Does the Senator from Kansas wish to comment on my statement?

Mr. CARLSON. I have no doubt that agriculture in the great State of Idaho is somewhat different from agriculture in the great Midwest areas, where mostly dry farming is carried on. At the same time, the agricultural program is practically universal. If the junior Senator from Idaho has some better suggestions, then when the opportunity presents itself, I shall vote for them. But this is the only bill before the Senate at present. That is why I am supporting it.

Mr. WELKER. I think that is why I shall have to support it; but the Senator said in his remarks that we would look the matter over. What I fear is that we may look ourselves out of business. That is the sad part of the matter.

I think my distinguished colleague.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the distinguished senior Senator from Utah.

Mr. WATKINS. Mr. President, I rise to speak against the conference report on H. R. 12. I voted for H. R. 12, as amended by the Senate, on final passage, because I believed there was a chance that the conference committee would present a sound, acceptable bill. This it did not do, in my opinion.

First, the Senate conferees, by agreeing to an extension of 90 percent price supports on the so-called basic commodities, have rendered the President's soil bank program ineffective for all practical purposes. In my opinion, producers, especially of wheat and cotton, simply will find it more profitable to continue and even increase their present production at the high support level rather than to place a portion of their acreage allotment land in the acreage reserve.

The reason for this is that certain fixed costs of production must be met by the producer whether all of his lands are in production or whether a portion of them are kept idle in a soil bank. Since the difference between total costs per acre and total returns per acre is much less at lower price support levels than they would be at the proposed higher support levels, farmers will be more likely to put allotment lands in the acreage reserve at lower support levels. High rigid price supports cancel any possible benefit from the soil bank program, in my opinion.

Second, unless farmers do put a substantial part of their allotment lands in the reserve, we can, at 90 percent price support, expect continued production in excess of our needs of these so-called basic commodities, especially wheat, cotton, and corn. We can also expect to see the continued production of feed grains greatly in excess of our needs, with increasing livestock numbers and further price declines for beef cattle, hogs, poultry, eggs, and lambs.

As the President pointed out in his economic report:

Government restrictions on acreage of several crops, notably wheat and cotton, have insufficiently curtailed production of these crops and have led to expansion of others. Huge carryovers have piled up, far beyond liberal estimates of desirable reserves. Government holdings acquired under price-support programs have kept rising, in spite of intensive and effective efforts to dispose of surpluses * * *.

The production-control programs that have been operated for basic commodities, which account for [only] about one-fourth of the total income from farm marketings, have indirectly contributed to lower incomes for the producers of other important commodities. Farmers with acreage diverted from basic crops have deemed it more profitable to produce feed grains or other crops, even at lowered support prices * * *. Many have expanded their hog and beef cattle numbers to use the additional feed thus produced, adding further to the expansion induced by relatively favorable livestock prices in earlier years * * *. These factors have been largely responsible for lower prices of beef cattle and sharply lower prices of hogs in 1955, and a continued increase in production of dairy products. Unrealistic supports have * * * overstimulated production of several basic products in this country * * * (pp. 54, 56, and 57).

The large inventories of basic commodities and feed grains which the Commodity Credit Corporation has on hand can be directly traceable to the stimulus given their production by 90 percent of parity price supports.

According to the USDA's most recent release on the status of price-support operations, the CCC had in its inventories as of February 29, 1956: 846,270,626 bushels of wheat, valued at \$4,309,484,973; 7,214,630 bales of upland cotton, valued at \$1,317,658,448; 744,618,750 bushels of corn, valued at \$1,291,422,848.

Its inventories as of the same date contained the following quantities of feed grains: 17,942,345 hundredweight of grain sorghums, valued at \$53,643,952; 24,696,408 bushels of barley, valued at \$36,314,441; 32,032,375 bushels of oats, valued at \$27,985,658.

Such an abundant production of feed grains induced by a rigid 90-percent support program on the basics, especially wheat and cotton, the last few years not only has resulted in surpluses of these commodities, but substantial increases in livestock numbers and lower livestock prices. For example, on January 1, 1956, cattle numbers reached a new high of 97.5 million head. Hog numbers were 9 percent above those of a year earlier.

Yet, even though these so-called basics—wheat, cotton, rice, and peanuts, to mention a few—have had mandatory price supports, producers of livestock products have had to get along without price support, even though today the average prices received by them as a percentage of the parity price is lower than the basics I have mentioned. As of March 15, 1956, the producers of the following crops were getting the following supports:

Upland cotton, 90 percent of parity.
Wheat, 82 percent.
Rice, 82 percent.
Peanuts, 90 percent.

Yet, as of the same date, the producers of the following livestock were getting the following supports:

Beef cattle, only 68 percent of parity.
Calves, only 71 percent of parity.
Chickens, only 77 percent of parity.
Hogs, only 58 percent of parity.
Lambs, only 70 percent of parity.
Sheep, only 66 percent of parity.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. WATKINS. I am speaking on very limited time, and I wished to get the whole statement in the RECORD. I shall yield at the conclusion of my statement, if I have time.

Mr. President, it should be realized that the production of these basic commodities provides farmers with only 26 percent of their net income. Yet, during the fiscal years 1932-55, the Federal Government has spent \$5,632,700,000 on programs primarily for the stabilization of prices and income for basic commodities. Yet, in spite of this cost and preferential price-support treatment, 90-percent price support on the basic commodities has utterly failed to prevent net farm income from declining. As I pointed out in my minority views to the report of the Joint Committee on the Economic Report:

High rigid supports have not facilitated adjustment of production to effective demand; and being applicable to only the basic commodities which provide commercial farmers with only 26 percent of their income, they cannot materially raise farm prices or total net farm income (p. 67).

But there is another reason, as well, why the 90 percent rigid support provision of the conference report will not raise farm income, just as price supports have not done so in the past: Namely, two-thirds of our farms, which are mostly family-type, produce so very little for sale that they cannot materially benefit from price support programs, regardless of the level of price support, be it 75, 90 or 100 percent of parity.

Mr. President, Section 104 of the conference report, which eliminates the new parity formula for determining the price support level on basic commodities, will in and of itself serve to keep the support level of the basic commodities at or near 90 percent of old parity and about 100 percent of new parity. Therefore, even though at the end of 1956 the flexible support formula will again be operative, the actual support levels will reflect old parity and are likely to be above 90 percent of new parity which is now in effect for the basic commodities. For example based upon January 15 prices:

Wheat would be supported at 103 percent of new parity.

Corn would be supported at 100 percent of new parity.

Cotton would be supported at 91 percent of new parity.

So with this provision in the bill, after 1956, we can expect farmers to continue to produce wheat, corn, and cotton in excess of demand, and we can expect continued production of feed grains on acres diverted from these basic commodities. This will mean greater livestock numbers and lower livestock prices.

Mr. President, there are also other provisions of the Conference Report which I doubt the wisdom of enacting into law.

First is section 103, which would set the support level for milk at 80 to 90 percent of parity, instead of 75 to 90 percent as at present. It seems to me that this is a move in the wrong direction, since under the support formula now in effect, the dairy situation has improved considerably since April, 1954. For example, CCC purchases of butter, cheese, and nonfat dry milk solids in 1955 were down 35 percent compared to 1954, when dairy products were supported at 90 percent of parity. Specifically, butter acquisitions were down 50 percent; cheese down 59 percent; nonfat dried milk down 15 percent.

With this new provision enacted into law, we can expect to see milk production soar, while prices and incomes decline. And we also can expect to see again those mountainous CCC inventories of butter and cheese. In 1953, if you recall, Mr. President, we had an inventory of 358.9 million pounds of butter, now only 162.3 million pounds, 3 years later. We also had 291 million pounds of cheese then, instead of 162.3 million pounds today.

I have some reservations also with respect to mandatory price supports on feed grains, and to the two-price plans on wheat and rice. For these reasons, Mr. President, I feel I must vote against adoption of the conference report.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks at this point an article entitled "Turkeys Could Provide Wheat Market," from the Utah Farm Bureau News of March 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TURKEYS COULD PROVIDE WHEAT MARKET

One of the paradoxes facing Utah agriculture is found in the turkey, poultry, and wheat-growing enterprises.

Turkey growing in Utah in recent years has become a highly important part of the overall agricultural picture, actually bringing into the State in 1954 more money in cash sales than our wheat crop, according to USDA reports.

Total cash income from turkeys in 1954 amounted to \$10,635,000, while eggs, chickens, and broilers brought \$13,683,000, compared to \$10,082,000 from wheat.

The paradox comes in the fact that while wheat is a natural feed for turkeys and chickens there is almost none of it being fed to turkeys and its use is rapidly diminishing in other poultry feeds.

The reason for this that milo, which is regarded as practically equal to wheat as a poultry feed, can be purchased at a lower cost by about 60 cents per hundredweight. To the turkey, broiler, or egg producer this price differential can well be the difference between success and failure.

Studies show that the turkey industry in Utah would consume 2 million bushels of wheat annually if it could be purchased at a price equal to that being paid for milo. At that level, wheat growers would receive approximately \$1.50 per bushel for their wheat.

The present support price on wheat in Utah ranges from \$1.79 to \$1.91 per bushel. Under present price-support law wheat is out of reach of turkey growers pricewise. Wheatgrowers who may wish to use present-

ly diverted acres to produce wheat for the turkey industry can do so only under severe penalties. A great many idle wheat acres might be profitably used to provide turkey feed if that could be done.

Average yield of wheat in Utah in 1955 was 19.9 bushels per acre. At that rate Utah grown turkeys could provide a market for nearly 100,000 acres of wheat.

Kansas and Texas are the major producers of milo, which has a crop yield of about equal to wheat. Kansas can grow milo on land diverted from wheat and Texas can grow milo on land diverted from cotton, wheat, peanuts, and rice, all of which are designated as basic crops.

The Utah growing season appears to be too short for milo. Utah wheatgrowers are thus placed at a greater disadvantage from diverted acres than are the producers of the basic crops in many other States.

Mr. WATKINS. Mr. President, the writer of the article points out that in Utah alone if wheat prices were such that the farmers could afford to buy it to feed turkeys, they could use 2 million bushels of wheat. The farmers cannot afford to buy wheat, but must buy other feed from Kansas and Texas, because the price of wheat is completely out of line. Yet wheat is stored in Government warehouses, and the farmers have to pay for other feed grains grown in Texas and Kansas.

As a commentary on the present matter before the Senate, I ask unanimous consent to have printed in the RECORD an article from the Detroit Free Press of Sunday, March 25, 1956, written by Mr. James M. Haswell, of the Washington bureau staff of that newspaper, entitled "Farm Group Hits Price Supports." The article asks this question: "Is Michigan heeding argument they benefit chiefly big operators?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON.—The belief that Michigan farmers don't profit much from price supports must be getting around. And also the fact that \$75 million in grain crop loans last year went to 1,695 farm operators—out of a total of 5,375,034 farmers.

In a poll taken by Representative ALVIN M. BENTLEY, Republican, of Michigan, in central Michigan, a group of one-third of the farmers said they wanted Congress to abolish farm price supports altogether.

Roughly another third, however, favored flexible supports, and the other third came out for 90-percent supports.

But the news was in the fact that so many farmers—about 500—had swung away altogether from the price-support idea. That was a great change from polls Congressman BENTLEY has taken in other years.

The no-support thinking apparently reflects growing belief in the argument that 3 out of 4 farmers in a State like Michigan have no real stake in price supports. They don't sell the right kind of farm produce, or enough of it.

Two years ago Secretary of Agriculture Benson published a table showing that Michigan farmers obtained only 10 percent of their income from sale of price-supported grains, such as corn and wheat.

But 63 percent of their income, the Secretary showed, was lowered because of the support price on grains used to feed livestock.

At about the same time Representative CHARLES M. BROWNSON, Republican, of Indiana, began a campaign to find out exactly who benefits most from crop loans—the form that grain price supports take.

The Agriculture Department now admits that the top 1 percent of wheat borrowers got 12 percent of the wheat money in 1953—or \$63 million.

One percent of the corn borrowers got \$3,575,000.

Sixty-six barley borrowers got \$6,364,000, an average of \$96,424 each.

Altogether 1,695 borrowers—out of 5,375,034 farm operators—got \$75 million in rain crop loans that year.

Last month Senator ARTHUR V. WATKINS, Republican, of Utah, published a study of farm incomes which has had a tremendous impact on the farm debates in Congress.

WATKINS concluded that price supports don't help two-thirds of the American farmers. And these are the two-thirds most needing help.

In order to get price supports, a farmer must have something to sell, and two-thirds of the family-type farms simply do not produce for commercial sale in any significant amount, WATKINS explained.

The men who run America's biggest farms, WATKINS said, do not need unlimited price supports. They could farm at a profit without any supports, he said, and certainly they don't need the unlimited loan privileges they have now.

In 1950 for the first time the Census Bureau classified farms into economic groups. The big division was between farms producing more than \$5,000 in farm goods for market annually and those producing less.

Farms in the over-\$5,000 group use 60 percent of the harvested cropland; supply 74 percent of all farm production; give the families on them an average income of \$5,143. There are 1,200,000 of these farms, supporting about 5 million persons.

But farms in the under-\$5,000 group occupy 34.6 percent of the harvested cropland while supplying only 24 percent of farm goods sold. The average family income is only \$1,741. There are 2,500,000 of these farms, supporting 10,300,000 persons.

A special study was made in Michigan, Illinois, and Indiana.

The amount of land farmed in these three States varied little over a 20-year period.

But the number of farms has shrunk steadily. Meaning that the size of the successful farming enterprises has increased.

The extremes of the farm economic scale show extreme contrasts.

As an example, farms which produce goods worth \$10,000 or more a year, supply 51 percent of all farm products marketed. They bring in a quarter of all farm income. The average family income is \$6,585.

But farms at the other end of the scale produce only 2.3 percent of farm marketings, and provide average family incomes of but \$975 a year.

Almost 1 in 10 Michigan farms fall into this class.

Senator WATKINS argues that only top farm operators have much of a stake in farm price supports.

The rest produce so very little for sale they cannot materially benefit whether the market prices are supported at 75, 90, or 100 percent of parity, he says.

There is a need for effective price-support programs, WATKINS says. But the programs should not be of the kind which give unlimited aid to a few big producers and do not help the great bulk, the farm people.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from Wyoming.

Mr. BARRETT. If I understood the Senator from Utah correctly, about 25 percent of the farm income in his State is derived from production of basic crops. Is that right?

Mr. WATKINS. No. Only about 7 percent of our crops under price supports are basic, and only 7 percent of our farm income is aided by price supports.

Mr. BARRETT. I thank the Senator. That figure is more nearly in line with the situation in Wyoming. I felt certain that our States were similar in that respect and as a matter of fact, our people are fearful that in the end this bill will hurt our farmers and ranchers more than it will help. I certainly agree that some steps should be taken to liquidate the surplus of farm commodities and I would favor the provisions of the soil bank.

Mr. WATKINS. In my State we have to have twice the number of acres for dry-land wheat in order to produce an ideal yield, for the reason that the land has to be summer fallowed and left idle for 1 year. A crop is grown only every other year. The high-price supports are detrimental to the overwhelming number of farmers in Utah, because they have to buy from the Middle West grains and feed for their livestock and poultry, such as corn and other grains, much of which they have to import from Iowa, Texas, and Kansas. So they help pay taxes to get prices up, and then they have to buy at those high prices. So they have to pay twice.

Mr. BARRETT. The Senator is absolutely correct. In Wyoming about 75 percent of all our agricultural income comes from livestock, both cattle and sheep. The high-price supports on corn has militated against the livestock operator. This bill will make a bad situation much worse.

The feeders in the Corn Belt have lost considerable money feeding this year and they will undoubtedly try to buy their feeder stock at lower prices this fall. It appears now that the cattle situation may become worse as far as the grower is concerned.

Mr. WATKINS. I think the Senator is exactly right. I think that is the situation in most of the Intermountain States. We do not grow basics for market. Wheat is about the only one we grow. The kind of wheat we grow which gets a price support is millable wheat. It is the so-called Turkey Red and other varieties, high in protein content, which are used for milling. There is a very limited acreage in our State.

The PRESIDING OFFICER (Mr. ERVIN in the chair). The time of the Senator has expired.

Mr. BARRETT. Will the Senator from Illinois yield 2 additional minutes?

Mr. DIRKSEN. I yield the Senator from Utah 2 additional minutes.

Mr. BARRETT. I also wanted to call to the Senator's attention the fact that the conference committee has changed the provisions in the soil-bank section with reference to grazing the acres diverted from crop production. As the Senator well knows the Senate adopted my amendment which provided that if the farmer violates the provision of his contract and permits his cattle to graze on the lands taken out of crops, that he would lose not only the benefits that he might be entitled to under the soil bank, but also any payments that he

might be entitled to under the price-support program. The latter provision was eliminated entirely. In my opinion the protective provisions were weakened materially in conference.

Mr. WATKINS. I agree 100 percent with the Senator from Wyoming. That was probably the only benefit our States would have obtained from this measure, and now it has been eliminated.

Mr. BARRETT. That is correct.

Mr. WATKINS. Also let me point out that two-thirds of the farmers of the Nation will not obtain any substantial benefit from this program; they cannot possibly do so. This program is in the interest of the big operators, not the small farmers; and very few of the smaller family-size farms will obtain any benefit from it.

Mr. BARRETT. The Senator is correct. The conference struck out the limitations inserted on the floor of the Senate whereby no individual could receive more than \$100,000 in payments from one section of the bill and \$50,000 limitation on another section. In fact all limitations were removed.

Mr. WATKINS. That is correct; the sky is the limit.

Mr. BARRETT. I would like to see a good constructive farm bill but it seems to me that insofar as our section of the country is concerned we have no choice but to vote against this conference report.

Mr. WATKINS. That is correct. The conference report is an economic mess, insofar as we are concerned. There are sound and helpful provisions in the bill as reported from conference, but they have been largely nullified by other provisions adopted.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 12 minutes to the Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 12 minutes.

Mr. HUMPHREY. Mr. President, I rise to support the conference report which has been presented to the Senate by the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER].

First of all, let me commend the conferees for the report they have brought to us. I know that the preparation of the final conference report required a great deal of hard work and detailed effort on the part of the conferees.

Mr. President, I was pleased no end to learn of the action taken by the House of Representatives on the conference report, and of the large vote in the House of Representatives in favor of the report. That vote should indicate to the administration and to the American people that the Congress of the United States is not going to be made the victim of propaganda or political pressure.

As have others, in the days since the Senate passed the agricultural bill, I have watched the press reports, including those relating to the work of the conference committee, and also, of course, the many press reports in regard to state-

ments issued by the Secretary of Agriculture and by some of those who are associated with him. The Secretary of Agriculture and his associates have attempted in every conceivable way to influence the conferees by propagandizing the American people and trying to set up, in connection with this agricultural bill, straw men which they could conveniently knock down.

Mr. President, I have been somewhat honored by the fact that the Secretary of Agriculture has seen fit to single me out for political verbal treatment. I welcome that privilege and recognition on the part of the leading agricultural spokesman for the administration. Let me say that at any time the Secretary of Agriculture desires to have me do so, I shall be more than happy to accommodate him in debate upon agricultural matters. I suggest, however, that it might be well to debate in an agricultural area, and not within the confines of one of his selected audiences.

Mr. President, the conference report does not do all I had hoped the bill would do. For example, I had hoped that the bill as reported by the Senate committee would become the law of the land. In that bill we provided for a 2-year extension of 90 percent of parity price supports on basic commodities. We had for the dairy price-support program a formula which was somewhat different from that contained in the conference report. I was also sorry to see eliminated from the final conference report section 602 of the Agricultural Act as passed by the Senate, which related to price reporting on timber products. That particular amendment to the Senate version of the bill was one which was close to my heart, and one which I felt would do a great deal of good to our timber farmers. However, I am happy to note that section 601, which relates to the reforestation program, was sustained and kept in the conference report. At a later time I shall make it my business to try to press for action upon the price-reporting features relating to timber. It is my opinion and belief that they are very essential for our timber farmers. Our timber farmers will increase in number and in significance under the terms of the soil conservation and soil-bank program.

Mr. President, I have noted with particular interest that the administration is putting up quite a howl about the delay in the passage of the farm bill, and I have also noted with considerable interest that some of the spokesmen for the administration have seen fit to level their attack upon the junior Senator from Minnesota. Mr. President, I will place my record in behalf of farm legislation on the line against that of any administration spokesman. This administration did not have a farm program as recently as January 1 or January 15. This administration was never in favor of a soil bank; but now the administration would like to claim the soil bank as its own product. The fact of the matter is that the administration resisted the soil bank from the beginning, but now the American people would be led to believe that the soil bank was a great creation of Eisenhower and Ben-

son. The delay—if any—is due to the lack of cooperation by the Eisenhower administration—the refusal of the administration to present a program until compelled to by action of the Senate Committee on Agriculture and Forestry.

Mr. President, one thing I can say for this administration is that it certainly knows how to reach out and capture the ideas of other persons. It is like the man on the flying trapeze—it “purloins”—with the greatest of ease.

I hesitate to digress, but I noticed that the other day Mr. Brownell came to the Congress with some ideas about civil rights—about as new as last year's calendar. In fact, the very bills the Attorney General brought to the Congress as a great, bold, new program in the field of civil rights have been before the Congress for years. I am the sponsor of these measures, yet the administration has never shown any interest in them. Of course, I am always happy when some political sinner repents and comes forward and asks to be cleansed of his political sins. I do not wish to discourage any of the erring brothers and prodigal sons who now are seeking to return home. Of course, we shall treat them with kindness, generosity, and compassion. The opportunity is at hand on this conference report on the farm bill for those who mistakenly followed the administration's misguided program to, in part, at least, reform and repent by voting for it.

When it comes to the soil bank, as early as 1936 there was legislative, permissive authority for the Department of Agriculture to enter upon an extended soil-bank operation. So there is no need for the present administration to talk about any delays. The only delay is in the mental processes and the will and the conviction of this administration. There has been plenty of delay there by the born obstructionists of the administration, who are obstinate and stubborn. They became interested in the soil bank after the Senate committee hearings, where farmer after farmer and group after group said that the soil bank was what they wanted. As I have said, thereafter the administration made its announcement in the Wall Street Journal—a fine newspaper, but one seldom read by farmers. This administration talks a great deal about peace and prosperity. I suggest to my colleagues there is about as little prosperity in the Midwest as there is peace in the Middle East. In both of these areas the administration's program has been “too little and too late” to be effective.

Mr. President, I shall support the conference report because I think it offers genuine help for the American farmer. But let it be clear, Mr. President, this administration's program offered none. The soil-bank program as endorsed by the administration was, at best, one for replacement of income, not increase of income.

The finest part of the soil bank program is its conservation-reserve feature, calling for long-term soil conservation or soil rebuilding for the arid lands and semiarid lands and marginal lands. However, it was this very section of the

soil bank that the administration had the least interest in.

The acreage-reserve section relates to a number of allotted acres, and was included as an attempt on the part of the administration to bail itself out of its own mismanagement.

Mr. President, the conferees have shown great courage and wisdom, and I personally wish to express my gratitude for the job they have done.

I particularly wish to thank them for the 90 percent of parity for 1 year. I had hoped it would be 2 years, but at least we can be thankful for the fact that for 1 year the farmer will have a fighting chance to have improved income.

I wish to thank the conferees for the dairy section, which will mean so much to our dairy farmers. It provides a minimum price of \$3.25 a hundredweight. We shall have to look into that section next year again, because this is only temporary relief.

I also congratulate the committee on retaining feed grains under price-support protection, and making them eligible for acreage conservation or acreage reserve benefits.

Mr. LANGER. How about butter?

Mr. HUMPHREY. The Senator from North Dakota mentions butter. I include butter and butterfat in the dairy products section.

I also wish to say that the opportunity for the two-price plan, both with respect to rice and wheat, is a forward-looking step, because it will give farmers a fair choice, on the basis of 90 percent of parity, with acreage allotments, or the alternative of a two-price system, so that when they make their choice they will have genuine alternatives. In other words, there will be some equity as between the two proposals.

Finally, in the limited time, let me say that no other piece of legislation will be before Congress this year which will be more important than this particular measure. The farmers of America, as we have stated again and again, are in trouble. The other day I read that hog prices were up. They are always up after the farmer has sold his hogs. That is good old Republican economics. The farmer has sold his fall litter. Now the packing houses have the hogs, so hog prices go up—the farmers have the reduced income.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, may I have one-half minute to conclude?

Mr. JOHNSTON of South Carolina. I yield 1 additional minute to the Senator from Minnesota.

Mr. HUMPHREY. Every United States Senator now has an opportunity to declare himself for economic equality for American agriculture. It will do no good for us to listen to the propaganda barrage from the Department of Agriculture. That Department has been negligent in the performance of its duties. I say that if Mr. Benson cannot live with the farm bill as we pass it here tonight, he ought to resign. I say the President ought to sign it, and I think

he will sign it, because I am hopeful that the President will think of the national interest, and not merely of partisan interest. If the President signs it, there is only one thing Mr. Benson can do, and that is to resign. That will be two good blows for freedom, and economic justice in this country, at one fell swoop.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with my remarks on the conference report, a statement I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

We are soon going to give our final approval to new farm legislation and send it to the President for his signature.

While the President will likely be tugged and hauled in different directions by his various advisers, particularly by those who have already got themselves pretty far out on a limb by unjustified criticism of Democratic efforts to put into the bill something which would benefit farmers this year, I, for one, am confident he will wind up by signing the measure.

Perhaps his aides should do some soul searching before pushing him too far against doing what needs to be done for agriculture.

Just to help them out as they consider his important pending decision, I wish to place at this point in the RECORD an article from the Wall Street Journal of March 29, 1956, headed “Rural Revolt: Liked Ike in 1952, But Plan Switch in 1956, Say Minnesota Farmers.” The article is as follows:

“RURAL REVOLT: LIKED IKE IN 1952, BUT PLAN SWITCH IN 1956, SAY MINNESOTA FARMERS—PRESIDENT, NOT BENSON, GETS MOST BLAME FOR SLIDING INCOME, RISING COSTS—POLITICS AND 20-CENT HOGS

“(By Sterling E. Soderlind)

“BLUE EARTH, MINN.—‘This is a real farmers’ rebellion against Ike, his hired man Benson and their farm program. You bet I’m voting Democratic this fall. I never knew I would hurt myself so much when I voted Republican in 1952.’

“Richard Quaday, a hog and corn farmer near this southern Minnesota town, thus explains his defection from Republican ranks. Shocker for the GOP: Interviews with farmers in this State show that 3 of every 5 who voted for Mr. Eisenhower in 1952 now plan to switch to the Democratic candidate in November.

“The discontent of Mr. Quaday and other Minnesota farmers, which received its first political expression in the March 20 Minnesota presidential primary election, is of growing importance to both the Republican and Democratic Parties. Serious farm dissatisfaction could cost the GOP Congressional seats and electoral votes in key Midwest States in November.

“Politician, pundit views

“Politicians and pundits began arguing the meaning of the Minnesota election results even before the polls closed, Republican leaders generally attributed Senator ESTES KEFAUVER's resounding victory over Adlai Stevenson as a slap at alleged ‘dictation’ and ‘bossism’ of the Democratic-Farm-Labor Party and its leaders, Gov. Orville Freeman and Senator HUBERT HUMPHREY.

“Democrats like Senator KEFAUVER and Mr. Stevenson noted that the total Democratic vote was more than double the GOP vote, indicating, they said, an ‘agrarian revolt’ and ‘a smashing repudiation of the present administration.’ The Stevenson forces also laid their defeat to thousands of ‘Kefauver

Republicans,' who, according to their theory, invaded the Democratic primary to 'stop Stevenson' and embarrass D. F. L. leaders.

"Both parties are now at work checking these theories and what they portend for November. Shortly after President Eisenhower said he thought the Minnesota election should be studied to see what it means, the Republican National Committee assigned three staff members to help the State party organization analyze the vote.

"Dissatisfaction deep

"Wall Street Journal interviews with Minnesota voters this week indicate that Republican analysts will find little to be happy about in rural Minnesota. The interviews with nearly fourscore farmers show their dissatisfaction is deep, bearing out the Democrat's theory of agrarian revolt.

"I switched over from Ike to the Democrats last October when I got as low as \$9.45 a hundred for 250 hogs I marketed," says Francis O'Neil, who farms 240 acres southwest of Blue Earth. 'I've taken a personal beating under the Republicans. As far as I'm concerned they have a mighty tough row to hoe from now on.'

"Farmer Quaday says he waited 3 years 'for Ike to make good his farm promises made right here at Kasson, Minn., in 1952. But nothing is getting better and I have eight kids to support. In 1950 I could have sold out, got a house in town and be sitting pretty. Now I couldn't even pay my debts if I sold the works.'

"Squarely on Ike

"While Secretary Benson takes much of the criticism for lower farm income, many farmers place the blame for their personal predicament squarely on the President. Says an Ortonville farmer as he unloads his hogs at the South St. Paul stockyards: 'I don't know what folks got against Mr. Benson. I wish I had a hired man that good. He does everything the boss tells him to.' The farmer who liked Ike in 1952 crossed over to KEFAUVER in the primary and will vote Democratic this fall.

"Wallace Manthel, who helps his mother run a diversified farm in Kittson County in the extreme northwest corner of Minnesota, says he will change his vote in November 'because Benson seems to think that those of us who have trouble in farming should seek employment elsewhere.' Mr. Manthel says he doesn't expect the Democrats 'will have all the answers either, but at least it will be a change.'

"The seriousness of farm discontent in Minnesota was measured in a statewide survey by the Minneapolis Tribune's Minnesota poll taken in mid-March, but published after the election. In 'trial heat' pairings, Minnesota farmers favored Senator KEFAUVER over President Eisenhower by 52 percent to 45 percent. In the cities Ike led 56 percent to 40 percent. If they were voting today, the poll showed Ike running ahead of Stevenson, 49 percent to 43 percent among farmers, and 56 percent to 40 percent in cities.

"Farmers union view

"Edwin Christianson, president of left-leaning Minnesota Farmers Union, which has 35,000 members, termed the results a 'decisive repudiation of sliding scale farm policies.' He noted that the combined vote of 'the two candidates favoring firm, adequate farm programs vastly exceeded the combined vote of the two sliding-scale candidates.' (The Democrats polled 422,000 to the Republican's 195,000 in incomplete returns. Individual tallies were KEFAUVER, 239,000; Stevenson, 183,000; Eisenhower, 192,000; KNOWLAND, 3,000.)

"Many Republicans argue that the lower GOP vote in the Minnesota primary, in comparison with the Democratic total, is easily explained by the fact that, since Sen-

ator KNOWLAND pulled out of the race, there was no Republican contest and little incentive for voting. Says Leonard Hall, Republican National Chairman: 'Republicans weren't in the Minnesota primary—we were on the sidewalk watching.'

"But talks with farmers over the back fence, in the feed store and along the streets of Minnesota's rural communities leave little doubt that, despite such factors, the farm revolt is real.

"And another, more surprising fact emerges from these interviews. Until now it was theorized that although some farmers might express discontent by switching their votes from Republican to Democratic Congressmen this fall and by griping about Secretary Benson their devotion to Ike remained strong. Actually, almost the opposite seems to be the case.

"Stand with Congressmen

"Minnesota farmers who plan to switch parties this fall in the presidential election show little inclination at this early date to express their dissatisfaction by voting against the three farm area Republican Congressmen. This is explained by the fact that the Minnesota congressional delegation, with the exception of one Minneapolis Representative, is nearly as outspoken against the administration's farm program as their Democratic colleagues.

"Not all of President Eisenhower's 1952 farm supporters have soured on him, of course. The President enjoys much goodwill among Minnesota farmers for ending the Korean war and bringing peace to the country.

"I'd rather be getting half prices and peace instead of full prices and war,' remarks Ernest Frank, as he hefts a box of groceries into a truck to return to his farm near Madison Lake. 'I was for Ike in 1952, and he'll get my vote again in November.'

"When asked what it would take to keep them in the Republican ranks this fall, most farmers who plan to switch parties come up with variations on this theme: 'We have to have higher prices for what we sell and lower prices on what we buy.' Alfred Labf, a Blue Earth County farmer, says hogs would have to climb from the present 13 or 14 cents a pound to 20 cents before he would 'go for Ike again.' Farmer Quaday says he won't vote Republican again no matter what happens. 'It doesn't pay to have a short memory,' he adds.

"Why farmers prefer Estes

"Although Stevenson forces believe the Tennessee beat out Adlai on the Minnesota farm front because he outpromised their candidate, most farmers interviewed gave other reasons as to why they preferred Senator KEFAUVER.

"Comments run along these lines: 'KEFAUVER is just more of a farmers' man'; 'I can't see going for a loser like Stevenson'; and 'me and my friends feel KEFAUVER is more sincere on this farm issue.'

"Few farmers seemed to think that Senator KEFAUVER's advocacy of 100 percent of parity for low-income farmers gave him any special edge over Mr. Stevenson.

"A Mankato farm-implement dealer said the fine distinction between the two Democrats' farm policies amounted to the feeling they left in their farmer audiences. 'To most of our farmers, Stevenson seemed to be rigid on flexibles, while KEFAUVER was flexible on flexibles.'

"Undoubtedly, many Minnesota Republicans didn't vote in the primary. Yet the GOP total of 195,000 compared not too unfavorably with the total of 290,000 in 1952, considering that there was a Republican contest that year between supporters of Mr. Eisenhower and favorite son Harold Stassen. Ike's vote was a write-in, but his backers were

in a contest with Stassen supporters, especially in the final days before the election.

"Republican crossovers

"Some Republican city dwellers freely admit that they took advantage of the primary law which allows voters to cross over into the opposition's primary. Since most of these city crossovers may return to their party in the general election, they are not regarded as posing a serious problem for the Republican Party such as that presented by farmers who have changed allegiance because of an issue.

"'Sure I switched over,' exclaims Eli Momen, a salesman for a St. Paul gold-refining firm. 'I could name 20 others who did, too. No good Republican would pass up a chance to put Freeman and Humphrey in their place. Of course, I'm for Ike.'

"I crossed over just for fun,' explains Frank W. Wilkens, a Twin Cities insurance agent. 'Stevenson was too glib, and I welcomed a chance to vote against him. Of course, I'm no KEFAUVER lover, either.'

"But such harassing-action crossovers by some urban Republicans can in no way hide the fact that a great share of the switching done in Minnesota was done by farmers and stemmed from deep dissatisfaction with the GOP. Not one farmer was found who had switched his vote just for the harassing effect.

"One Blue Earth farmer summed up the general feeling: 'I think Mr. Eisenhower needs a rest, and I believe we folks around here are going to give it to him.'

This administration has always kept a pretty alert eye on the Wall Street Journal, so I hope its officials have not missed this significant article.

There is a new popular song out in the Midwest these days. It is called Sixteen Hogs, a parody on Sixteen Tons. Because it describes the situation in the Midwest agriculture so well, I would suggest the President's advisers try singing this tune before talking to the President about vetoing the farm bill.

To make sure that official attention is called to the words of the song entitled "Sixteen Hogs," written by Mr. Irvin Shapiro, I include them now, as follows:

"SIXTEEN HOGS

"(Parody on Sixteen Tons)

"Some people say farmin' is a life of ease,
You plant what you want and you sell what
you please
But it ain't so easy when you get to town
And you find that the prices have all gone
down.

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt.
Mr. Benson won't ya tell me what's hap-
pened to me
Since I gave my vote to the GOP.

"Oh Gen-ral Motors made a pile of dough
Their profits just grow and grow and grow
Their prices are the highest in history
It's good for them but it ain't for me!

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt
Mr. Benson won't ya tell me 'cause I don't
know
How much lower my prices can go.

"In '52 I joined the parade
And cast my vote for the Great Crusade
But in Washington the GOP
Just couldn't remember what they prom-
ised me.

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt
Mr. Benson will you please e-lu-ci-date.
What was wrong with the welfare state?

"When I was a boy I went to school
In arith-metic I learned this rule
You can't be a farmer and make a dime
If the market keeps droppin' all the time.

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt
The farmer gets less but his wife pays more
When she does her shoppin' at the grocery store."

I have just one more exhibit to offer—one which I think should be read with interest by critics of effective aid for agriculture. It is an article written by a Corning, Iowa, farmer, and is entitled "As I Am Leaving the Farm." The article was published in the Audubon (Iowa) News-Guide, in a column entitled "Corn Meal and Cobs," conducted by Elmer G. Carlson, a member of the Press Columnists of Iowa. The article reads as follows:

"CORN MEAL AND COBS

"(By Elmer G. Carlson)

"As I Am Leaving the Farm

"Today you sold out. Now the crowd has gone and you have loaded the last reluctant cow and stubborn hog out to their various destinations. As the last truckload pulls out of the driveway onto the road, you lean up against the darkened strangely silent barn and smoke thoughtfully.

"Somehow you dread going into the house; the kids, not too long home from school will be noisily asking questions about the sale; questions you don't care to answer. The whole family will be discussing the move to town; a move you hate to think about. You pull your collar a little higher around your ears and hunker down on the leese of the barn, out of the gusty wind—to think.

"A confused jumble of thoughts run through your head. 'Where did I fail? Surely not from lack of hard work.' You think of the backbreaking years of toil you and your wife spent. Lack of management? Maybe you could have managed better, but you were always counted a good farmer. You loved the soil and tended it carefully; your carefully terraced fields and neat farmstead vouch for that. Your mouth twitches bitterly as you contemplate the fate of those fields. The man farming your land next year is just adding your little 160 to his already extensive holdings, and a vision of your farmstead, deserted and weed-grown flits through your mind's eye. The new operator—a firm believer in straight rows; you sadly contemplate the fate of your terraced fields and grassed waterways. Oh well, maybe all small farms have to go, that seems to be the trend now, anyway.

"About that move to town. What in the devil are you going to do? You can slop hogs and milk cows, but Omaha doesn't seem to have any demand for those skills. Also you realize that you're a heck of a lot older than you thought you were. Seems like 45 is 10 years too old to be worth a darn for anything as far as getting a job is concerned. You consider the future with a deep aching fear. You can't help it. What if I can't find a job? What will my wife and family do? How will the kids adjust themselves to town life?

"You flick the yard light on. You feel that somehow it will make the silent barn and empty lots less stark. You make the rounds closing the open doors and widely flung gates. Why? Nothing left to get out, but habit is strong.

"You look across the driveway at the crib. In the glare of the yard light, the different-colored sale bills tacked up there today stand out strangely. There they hang, an even dozen of them, stuck up there by fellow farmers, each one bearing that pathetic hearing 'As I Am Leaving the Farm.' You gaze at those brightly colored scraps of paper. Some of the names on them are men you

know, men like yourself being torn from the soil they love and have cherished, to be thrown into a gristmill of a strange and unfriendly environment. Men whose dreams and hopes withered with their crops the last couple of drouth-stricken years, and now, like you, will be walking city pavements when the bluegrass greens the hills next spring. You can't help but wonder about the bright boys; those boys whose heads are fuller of statistics rather than brains; whose answer to the farm problem is 'Let's get rid of the small inefficient farmer.' You wonder how they'd feel if they were in your shoes.

"It's getting cold—you start slowly toward the house. Under the yard light pole lies one of your bills. Your own name in big bold letters at the bottom looks coldly strange. You walk up and idly flip it over with your boot. A gust of wind whirls it and away it goes, across the driveway into the road to disappear in a cloud of dust—into the cold and windy dark.

"ELDON 'ZEKE' ROBERTS.

"CORNING, IOWA."

I urge my colleagues to read that description of a farmer's thoughts after he has gone broke and been forced to sell out at auction.

Mr. DIRKSEN. Mr. President, I yield 13 minutes to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, huge agricultural surpluses have been accumulated as a result of the 90-percent price support program.

At the end of the Korean war the Commodity Credit Corporation had less than \$4 billion invested in agricultural commodities. On June 30, 1954, this amount increased to \$6,187,000,000. On February 28, 1955, 1 year ago, it had increased to \$8,395,000,000; and on February 29, 1956, the Commodity Credit Corporation had utilized \$11,521,000,000 of its borrowing authority.

If we adopt the conference report and accept 90-percent supports for another year we shall inevitably add to the accumulation of these surpluses.

On February 29, 1956, we had an inventory of 1,114,445,000 bushels of corn, at a cost of \$1,864,747,000, nearly \$2 billion. During 8 months of this fiscal year we have lost on corn alone more than \$75 million, and the corn inventory has increased during this same period by 260 million bushels.

Today we have on hand 1,119,542,000 bushels of wheat, at a cost of nearly \$3 billion. If we were to reduce both the corn and the wheat to terms of carloads we would find that we would have enough corn today, if we put it into 40-ton cars, to make a trainload of corn 4,200 miles long, or about long enough to reach from Seattle, Wash., to Miami, Fla.

Our inventory of wheat placed in freight cars would form a train long enough to reach from Los Angeles, Calif., to Portland, Maine.

And yet the advocates of the 90-percent support formula still propose that we add to that inventory.

Our cotton inventory has increased more than 5 million bales over and above the inventory 1 year ago. We now have on hand 13,797,000 bales of cotton, representing an investment of \$2,385,073,000, or an increase of more than \$1 bil-

lion over and above the investment a year ago.

Our normal consumption requires only about 9 million bales of cotton, so we have enough cotton, without planting any at all this year, to last us for another 15 months.

We have an inventory of \$563,547,000 worth of tobacco in warehouses, or an increase of \$150 million over and above the inventory 1 year ago.

We have on hand 114,107,000 pounds of butter, at a cost of \$68,034,000 which is lower than the figure of a year ago. However, the reason it is lower than the figure of a year ago is that we have sold our inventory at ridiculously low prices. In the past 8 months we have sustained a loss on butter and butter products of \$140,058,653. We have lost \$100,344,590 on butter alone in the last 8 months. The other \$40 million loss was on butter oil. That is the equivalent of a rate of \$17,500,000 a month, or \$4,250,000 a week, or almost \$600,000 a day during the past 8 months. Yet it is now proposed to again increase the support price on butter and to increase further the inventories.

This is ridiculous. We are allowing butter to become rancid in warehouses. The only way rancid butter can be sold is to soap manufacturers. So far as the housewife is concerned, since butter has been priced out of the market, she has been buying oleo, which is manufactured by the same soap manufacturers. We have a ridiculous situation in which the housewife is giving her baby a bath with soap made with butter, and we are spreading on our bread a byproduct of the same soap manufacturers.

During the first 8 months of fiscal 1956 we have lost \$662,989,011 under the Commodity Credit Corporation operations alone. This does not take into consideration any of the losses or expenditures of section 32 funds or that which has been spent under the International Wheat Agreement.

If we consider the Commodity Credit Corporation alone, and forget all the other subsidy programs, our loss for the first 8 months this fiscal year has been at the rate of \$100,000 an hour.

We have on hand 103,968,000 bushels of barley, at a cost of \$105,642,000. We have lost \$31,431,724 on barley in the past 8 months.

On oats we have lost \$11,408,732 during the same period.

On cheese we have lost \$76,107,510, in order to hold up prices to the American housewife.

At the same time we have not been doing the American farmers any good by the continuous accumulation of surpluses.

If we adopt this report and thereby reestablish the rigid 90 percent supports it will mean the continued accumulation of grain in the warehouses, thereby withholding it from the markets and forcing the feeders of livestock and poultry to pay a substantial increase in the cost of feed.

Yet at the same time this group will continue to sell their product on the free market.

Their situation will be much worse than it is today. This will bankrupt our poultry and dairy farmers in the Northeast. I now point out how this bill is a bonanza for the large absentee farmer.

The conference report has had removed from it any limitations as to the amount of payment under the soil-bank plan. I cite one example showing that if the bill is passed in its present form one individual in the Montana area, now farming approximately 340,000 acres of wheat, could put 170,000 acres into the soil bank and collect from the United States Government a check for \$3,400,000—all for not farming one-half of his acreage. Then on the other half he could continue to raise wheat and sell it to the Government at an increase of 40 cents per bushel over and above what he received last year.

Another section of the bill would give him free lime and fertilizer so as to increase production on the acreage which is left.

All this is being done in the name of the small farmer.

There has also been stricken from the bill the provision which would have prevented the Department of the Interior from continuing its reclamation projects while the soil bank is in operation. We will now have one agency of the Government spending millions of dollars bringing new land into production while at the same time, under the soil-bank plan, we shall be spending hundreds of millions of dollars to take land out of production.

This is the nearest to perpetual motion that the taxpayers can get. The taxpayers are pouring \$4 billion or \$5 billion a year on this water wheel, and at the same time the farmers are being ground under.

In the interest of the American farmer this conference report should be rejected. Let us recognize the fact that we are unable to get a decent farm bill in an election year. Let us get the election out of the way and come back next year and see if we can get a sound farm program when the eyes of Members of Congress will be off the election.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WATKINS. I understood the Senator to say that the program was costing the taxpayers about \$100,000 an hour.

Mr. WILLIAMS. That is correct.

Mr. WATKINS. Does the Senator believe that high cost has some political significance? Would the Senator recommend turning the matter over to the special select committee on campaign contributions for investigation?

Mr. WILLIAMS. To approach the farm problem with the idea of putting three or four billion dollars into the hands of the American farmers in order to get their vote for either the Democratic Party or the Republican Party is an insult to their intelligence. Certainly the American farmers cannot be bought and sold like cattle. This bill is an insult to their intelligence and integrity.

I ask unanimous consent to have printed in the RECORD two telegrams and a letter from farm organizations in the State of Delaware opposing this bill.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

SELBYVILLE, DEL., April 11, 1956.

Senator JOHN WILLIAMS,
Senate Building,
Washington, D. C.:

This organization strongly urges opposition to farm bill in its present form. Rigid price support strongly opposed by this organization.

E. BOWEN QUILLEN,
President, Eastern Shore Poultry
Growers Exchange.

SELBYVILLE, DEL., April 11, 1956.

Senator JOHN WILLIAMS,
Senate Building,
Washington, D. C.:

Strongly urge opposition to farm bill in present form. Conflicting names seem to make it unworkable and impracticable. Strongly oppose rigid price supports aspects of bill. In the interest of saving time and economy we hope you will be willing to convey our opinions on this important subject to other Members of the Congress from this area. Our organization represents every phase of the poultry industry including allied businesses, merchants, and civic leaders affected by the poultry economy of this peninsula.

RAY E. MURPHY,
President, Delmarva Poultry In-
dustry, Inc.

DELAWARE FARM BUREAU, INC.,
Dover, Del., April 10, 1956.

Senator JOHN J. WILLIAMS,
Senate Building,
Washington, D. C.

DEAR SENATOR WILLIAMS: The Delaware Farm Bureau most sincerely urges you to oppose the following undesirable features of the farm bill:

1. Ninety-percent fixed supports for 1956 for basic crops.
2. Double standard parity.
3. Mandatory three-price domestic dumping plan for wheat.
4. Mandatory support of noncommercial area corn at 85 percent of commercial and increase supports from 70 percent to 85 percent parity for oats, barley, rye, and grain sorghum provided 15 percent farm base acreage for such feed grains are put into soil bank.
5. Ten cents per hundredweight increase in 1956 and 80-90 percent mandatory dairy support for 1957 and thereafter.
6. No control of diverted acres of quota crops.

These provisions would nullify the other parts of the bill which might help to adjust the agricultural plant to effective market demand. Since it is too late for the soil bank plan to be effective this year I urge you to use your influence to help Congress to develop a bill more suitable to all farmers.

With kindest personal regards, I remain,
Sincerely,

JAMES H. BAXTER, Jr.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 15 minutes to the Senator from Minnesota.

Mr. THYE. Mr. President, there are really two objectives we are seeking to accomplish through the pending farm bill. The first objective is to lift the farm economy to a higher level, because the farmers' income is out of balance with the national income. The second

objective is to effect control of production that is adding annually to the surpluses. The soil bank achieves this objective.

We have seen the farmers' income drop in the postwar years from \$17,200,000,000 to a recent figure of \$10,200,000,000. That is a \$7 billion drop. At the same time the national economy has been rising steadily every year.

The farmer is affected by the rising national income since all the expenses of his operations are thereby increased. This is true in the case of the machines he must buy, the fuel with which to operate the machines, his taxes, as well as all the other incidental expenses which farming involves.

We must bear in mind that because of this drastic drop in the farmer's income we in Congress must try to bring his income back into proper relation with the income in other segments of the Nation's economy. How can we accomplish that? We can only accomplish it by the higher price supports that are proposed in the farm bill.

I made a motion in committee to extend 90 percent price supports for 1 year only. That motion failed. Why did some of us in committee vote for 90 percent supports for this calendar year? I have already answered this question in saying we were working to restore some of the farmer's lost income. I wish to commend the conferees for having reestablished 90 percent price supports for the calendar year 1956. They do not go beyond this year. If we do not reestablish 90 percent supports for this calendar year, wheat will go down 27 cents a bushel, come this next fall when the first applications for commodity loans are filed with the county committees. Corn will go down 18 cents a bushel. Feed grains will go down correspondingly in price to that of wheat and corn, and the farmer will again be on the merry-go-round of receiving less for everything he produces. The farmer's income will be further reduced in the face of the already drastic drop in income he has already suffered.

That is what I see if we do not approve a continuation of 90 percent supports for calendar year 1956.

I find it most unpleasant to go against my administration. I have supported President Eisenhower as strongly, I believe, as has the average Senator on the Republican side. I have supported President Eisenhower in his foreign policies. I have supported him on a great majority of his proposed domestic programs. I might mention that it was the Senator from Kansas [Mr. CARLSON] and I who introduced the Federal tax refund bill on gasoline used in farm equipment. We introduced that bill more than a year ago. I was delighted when it became law. I know it will afford relief to the farmer because today he is operating with gasoline, not with hay and grains, as was the case 40 years ago. The farmer's power is now derived from fuel oils and gasoline in combustion engines.

Again I stood in complete support of the administration, or the administration stood in support of me—it may be

phrased whichever way one desires—on the school milk program. I introduced last year the bill to continue and expand the school milk program. My bill provided that the program should not only be continued but should be expanded as the Administration recommended this year.

I also introduced a bill this year to provide additional funds for the brucellosis control program. This was also sought by the Administration.

Therefore I have tried to assist my administration in every conceivable manner.

I have discussed the 90 percent provision in the report and I have done so with the thought in mind that the President would be wholly justified in signing the bill.

Now the other major objective of the bill is the proposed soil-bank program.

If we had enacted such a program 2 years ago, we would not be standing on the floor of the Senate today debating the whole question. I had a conference with the Secretary of Agriculture, Mr. Benson, early in January, 1954. I proposed at that time that we control the acres which would be diverted from wheat, corn, cotton, and other basics, because I knew we would never get a reduction of the farm surpluses until we reduced the number of acres harvested.

When I was unsuccessful in convincing the Secretary of Agriculture of the need for controlling the diverted acres—getting them into clover or alfalfa, or some kind of a soil-building crop—I wrote a letter to him under date of January 21, 1954. Here is the evidence of what I proposed to do in order to reduce production so that we would not add to the surpluses, which are today destroying the farmers' markets.

At this point I ask unanimous consent that my letter of January 21, 1954, to Secretary of Agriculture Benson be printed as a part of my remarks. I wish the RECORD to be clear that I did not come only recently to the support of the soil-bank program. I have worked for such a program for a long time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON
AGRICULTURE AND FORESTRY,
Washington, D. C., January 21, 1954.
The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: I am writing you to outline my views on some phases of our agricultural problem. These views, you will recall, I had indicated to you in our conference prior to the presentation of the proposed program to Congress.

One of the major problems we must recognize is that, in the main, the farmer has suffered too great a drop in his income. The prices that he receives have dropped drastically in many of the commodities and products, while his operating expenses are still on the level to which the Korean war inflation carried them, to say nothing of the higher school taxes levied on real estate and personal property, or township and county taxes. They are all up.

The machines the farmer must purchase in his normal operations are still at those inflationary price levels, likewise the repairs

on his old machinery if he be so unfortunate he cannot afford to buy the new machines. Then there is the high cost of mill feeds, commonly known as high-protein feeds, which he must purchase to supplement his homegrown feeds for his dairy operations, poultry production, or any general livestock feeding operations. How the farmer can further suffer a loss in price and still continue to pay these inflationary costs is a question that we must consider.

I am in support of certain phases of the President's recommendations, such as isolating some of the surplus, placing it in reserve in a stockpile as an assurance against some national or international catastrophe, such as a major drought could bring about.

The first step that we must take here in Congress and administratively is to demonstrate our ability to handle this surplus, whether we isolate, stockpile, or barter it off in the international field. We must show that we can do it, or it will be like a black shadow threatening or weakening our own domestic markets as well as the international market. Our number one problem is to manage this surplus.

Secondly, the farmer last fall voted and agreed to reduce his acreage of wheat planted, in order to manage the surplus in wheat. He has willingly accepted reduction in the number of acres planted to cotton and I know that the producer of corn will likewise agree to a reduction in the number of acres planted to corn. Farmers will agree to put these acres into clover, alfalfa or some type of legume crop that will be soil-building, bringing a higher fertility in the land that will give greater assurance of production in the future if the need arises. With the use of such soil-building practices, farmers would be prepared to take such surplus acres out of production entirely.

These are two essential steps—take care of present surpluses and plan to manage and govern future surpluses. When we have proved our ability in this respect we can take the necessary steps toward the question of price supports and what our price supports should be. If we are successful in the first two steps, it makes no difference what your price supports are, because you will have full parity for agriculture at the market place, but you do not have it today. If you take 90 percent support off the basics, with the exception of pork the prices would drop to the very level you reestablish. If you desire a change in production by adjustment in the price supports, what type of crop or livestock enterprise would you advocate that the producers divert to? I know we have a surplus in every category of grain or products with the exception of the pork. I believe that we don't need to encourage that by price, because pork production will be up in the coming year.

The effect of our agricultural economy is so important—it has its reflected effect not only in the smaller communities of our Nation but in industrial centers. The farmers provide a great outlet for heavy industry such as farm machinery, trucks, etc. I saw too many implement yards full of new machines last fall not to know what was happening to the farmer's purchasing power.

Mr. Secretary, I have just frankly set forth some of my thoughts as I believe I have some understanding in the field of agriculture. I am confident that we will work out an excellent, sound, administratively possible farm program, but we certainly cannot do so unless we are prepared to consider all these phases of the agricultural problem.

Sincerely yours,

EDWARD J. THYE,
United States Senator.

Mr. THYE. If this bill fails of enactment by either a rejection of the conference report or by a Presidential veto, we shall place in jeopardy every young

couple who started farming in the post-war years. Let us consider the plight of these young farm families. They bought their livestock and their machinery and their first year's feed and fuel needed for their farm operation the first year, before the first crop was harvested. They bought all their equipment at inflationary prices. They paid \$300 to \$400 a head for milk cows. They paid an enormous price for a tractor and for other machinery. In short, they went into debt. They are now trying to meet their financial obligations with a reduced income. They are in trouble.

If we fail these young farm families, and force them for another year to suffer the low income that the farmer has been receiving, we might well force them into a foreclosure sale before the end of the calendar year.

We shall take the heart out of that young farmer. We shall destroy every hope and every incentive he may have had. In many instances, he is the young man who fought for this country during World War II. Mr. President, I live among those people. There is a veteran farming on each side of my own farm, veterans of World War II. They married, they started farming, and they assumed financial obligations. If we permit this farm economy to remain at its present low level, it may well spell ruin for such young men.

Mr. President, the soil bank is the first realistic approach we have ever taken in bringing our production into line with our domestic needs and our export abilities. But we cannot accomplish our objective in this calendar year. The season is too far advanced. Winter wheat was seeded last fall, and much of the southern crop has been planted.

The 90 percent supports this year are a necessity. They will give the farmer time to understand and to adjust himself to the soil-bank program, and by next year we shall have not only compliance, but a reduction in the overall farm plant. We then shall find farm prices in the marketplace reflecting full parity, and the issue as to whether we should have flexible or fixed supports will be a forgotten one.

Mr. President, it has been asserted that the farm economy has risen under the application of flexible price supports. Nothing could be farther from the truth. The price of dairy products dropped 59 cents a hundredweight for fluid milk as soon as the Secretary of Agriculture announced the reduction in price support from 90 to 75 percent. It has never risen 1 cent to the producer, from that first drop in February of 1954. In fact, the market is weaker today than it was in February of 1954.

Mr. President, we had better take a good look at the statistics. The production of dairy products is up more than 4 billion pounds since lower price supports were effected, and we are entering into a period of higher production today than we had a year ago.

Flexible price supports have not gone into effect on 1 commodity or 1 crop other than dairy products. We have not felt the effect on grain or on any of the basic crops, because they were not applied until this calendar year. They

have been announced only in the past 6 months on wheat and corn. Then it was announced that wheat would drop 27 cents per bushel this calendar year and an 18-cents-a-bushel drop this calendar year in corn prices would be the result of flexible price supports. Can anyone be expected to understand and to believe the statement that the farm economy will rise under the application of flexible-price supports? Nothing could be further from the fact.

It is for that reason that I ask my colleagues to think this question through with exceeding care, because, if we force a further price reduction on the producer, more especially the young couples who have not the financial means or credit to carry on under a depressed farm economy, we shall be confronted with foreclosures. This does not mean that we shall have reduced farm production, because someone with good credit and the financial means will go on producing from the land from which the young farm family was driven.

There is no program except the soil bank which will have any positive and lasting effect upon this agricultural economy of ours. We must reduce production. We can effect a reduction only by decreasing the number of acres harvested. It is for that reason that we have in the bill the best provision that has ever been incorporated into any legislation, namely, the soil bank provision. It will stop the production on acres diverted from corn, cotton, and wheat. We previously have succeeded only in diverting from production of a basic to some feed crop, the result being a greater production of feed than ever before. This feed went into livestock, poultry, and milk production. That is why we have been overburdened with milk supplies, poultry, pork, and we are now threatened with an overproduction of beef.

So, Mr. President, we must think very carefully as to whether we should reject this bill. If it is rejected, we shall be responsible for bringing on a real recession in the agricultural communities of this Nation.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, I pretend to no expert knowledge in the field of agriculture, but I am ready to accept my full responsibility in connection with this conference report. I say I pretend to no expert knowledge. I do know, however, when a matter goes in both directions at one and the same time.

As I seek to analyze the measure proposed I think of a man at home who had a balky little mule. The mule lay down on its side, and the man could not do anything with it. Not even building a fire under the little critter would do any good. After a while a veterinarian came by and said, "What is the matter, Joe? Can you not do anything with your mule?"

The man said, "No."

The veterinarian took a syringe and injected some fluid into the mule's hind-quarters, and 60 seconds later the mule got up and bounded down the street. The owner of the mule said to the vet-

erinarian, after looking at him with a big smile like a western sunburst, "How much did that cost?"

The veterinarian said, "About 25 cents."

The man said, "Here is 75 cents. Give me two shots so I can catch that mule." [Laughter.]

Mr. President, it is said that this bill is designed to reduce acreage. That is an important thing to do. But we encumber it with every known kind of gimmick to offset whatever we have done to bring about acreage reduction. So, Mr. President, we are going in both directions at once.

I think I have a pretty fair idea of the record, and I know of no way to defend this kind of a bill. So I say to my distinguished friend from Minnesota [Mr. THYE] that I am very glad indeed to accept my responsibility today.

If I have any time remaining, Mr. President, I should like to say a kind word about the committee and about its distinguished chairman. I can well appreciate, Mr. President, the heartbreaks and the frustrations which go into a conference of this kind. I served for 16 years at the other end of the Capitol. I know how obstinate I could be. I know how I stood on my pride as a Representative in Congress.

When all the conferees sit around the conference table, the Members of each body sharing the pride in their respective body, and the Members of each body acting according to their own lights, I can understand that it is like an irresistible force meeting an immovable object. So I feel we should congratulate the distinguished Senator from Louisiana [Mr. ELLENDER], the chairman of the Committee on Agriculture and Forestry, as well as the other members of the committee of conference.

Finally, I would feel derelict in my duty if I did not raise my voice once more in behalf of the distinguished Secretary of Agriculture, whose moral stamina and courage I admire very greatly. If the junior Senator from Minnesota [Mr. HUMPHREY] were on the floor at this time, I would pose to him the question, whether in an hour like this, when the challenges are so great, he believes former Secretary Wickard, of Indiana, might have stood up under the challenge and the force of the moment.

I have lived in the Government long enough to have served contemporaneously with Henry Wallace, of Iowa, with Claude Wickard, of Indiana, with Charlie Brannan, of Colorado, and with the able and distinguished junior Senator from New Mexico [Mr. ANDERSON], when he was Secretary of Agriculture, for whom I have great affection, and for whose discernment I have the greatest respect. But I think agriculture and the country as a whole can be grateful today that a man of courage and a well-defined sense of direction never gave in under political pressure and the verities of the moment.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. KNOWLAND. I yield 2 additional minutes to the Senator from Illinois.

Mr. DIRKSEN. Secretary of Agriculture Benson has had an eye single to the objective he felt must be achieved in the interest of the farmers of the country.

I make this other personal allusion. I cannot always be certain, of course, what the right direction is. Experts in the board of trade have talked to me about what they thought should be in the farm bill. Members of the Grange, of the Farm Bureau, of the Farmers Union, and of the United Farmers have spoken to me on the subject. I have listened patiently to all of them. I have had as many as 150 farm representatives with me in the reception room. I have been threatened with condign political extinction if I did not vote for this measure. I have been threatened with political demise at the polls if I did not support this or that proposal. So I simply fall back on the admonition of Edmund Burke, a sometime great member of the House of Commons, when he said that, finally, he must preserve unto himself his individual judgment as a representative, and to let that judgment be fortified and dictated by the facts in the case.

From everything I see in the conference report, Mr. President, I can do no other than to oppose it, let the chips fall where they may, because I think that in one breath we are going in one direction, and in the next breath we are going in another direction. Therefore, with that kind of conflicting philosophy in a single farm bill, I have no choice except to vote against the conference report.

One final observation: The junior Senator from Minnesota [Mr. HUMPHREY] made what I thought was a significant statement. He said that next year we shall have to be dealing with this subject all over again. There is a confession, Mr. President, since the junior Senator from Minnesota was so active in the deliberations on the bill. There is a confession that evidently we have not contrived a durable handiwork.

So I accept my responsibility, and I shall vote against the conference report.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 minutes to the distinguished Senator from Indiana.

Mr. CAPEHART. Mr. President, so that there will be no misunderstanding about what I shall say, I am going to vote for the conference report. The reason I shall vote for the conference report is that I voted for the bill. How any Senator could have voted for the bill and then could vote against the conference report, I cannot quite understand.

Mr. President, over the last 50 years, the Government has spent billions of dollars and millions upon millions of man hours to teach the American farmer how to grow more and more and more. There is an agent in every county whose work it is to teach the farmer how to grow more. Great agricultural universities exist in every State to teach the farmer how to grow more. I am not complaining about that; I am simply being factual. That is one reason why farm production is away up. Not only is farm production away up but huge surpluses of farm commodities now exist. Likewise, the Government has spent billions of dollars—yes, I think it is in the

billions—of the money of the American taxpayers—and I am not complaining about that; again I am being factual—to bring into new production hundreds of thousands of acres in the United States. The taxpayers of Indiana, Illinois, and other States have been taxed for the construction of irrigation projects in Arizona and California. The result is that California and Arizona today, if my facts are correct, produce more cotton than do any of the southern States.

While we have been doing all these things, we have forgotten one important matter. The one thing we have completely forgotten is, To whom is the farmer going to sell his additional production? Fifty years ago there were 350 million tillable acres in the United States. Today there are still 350 million tillable acres.

Fifty years ago the production from 90 million acres was used to feed horses and mules which were necessary to cultivate the 350 million acres. Therein lies the difference between the surpluses of today and the market demand. It is the 80 million acres. Today we farmers—I am a farmer—buy our horsepower in the form of gasoline. Fifty years ago we produced it on the farm.

We have an economic problem on our hands today, not a political problem. We had better not deal with the problem in a political way. We had better handle it in an economic way.

Whether we like it or not, whether we like 90 percent, 80 percent, or 75 percent of parity—regardless of what we like—we have only one agricultural problem in America today, and that problem has arisen because we have taught and shown the farmers how to grow more than can be disposed of in the markets.

On top of that, we have lost much of our foreign market. I am not complaining about it. I am not complaining about any of these things. But we have lost much of our foreign market because we have been teaching the farmers of other countries to raise more. We have given them tractors and technical aid. Let me say, in all fairness, that the farmers of foreign lands have as much right to grow their own foodstuffs as we have.

So we find ourselves tonight in the position that the American people, Congress, the State governments, the Department of Agriculture—

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. JOHNSTON of South Carolina. I yield an additional minute to the Senator from Indiana.

Mr. CAPEHART. Will the Senator yield me a couple of minutes? That is an important subject.

Mr. JOHNSTON of South Carolina. I yield 2 additional minutes to the Senator from Indiana.

Mr. CAPEHART. This is not a political matter; it is an economic matter. We have huge agricultural surpluses on hand, and the capabilities of the American farmer are such that he can produce unlimited amounts of crops. I am not complaining about that; I am happy he

can do so. But it will be necessary to deal with the problem now as an economic matter. We shall have to defend, protect, and help the farmer until Congress can pass a bill which has been introduced by a number of Senators, including myself, the purpose of which is to develop new industrial uses for farm products.

The farmers of America need not till all their acres simply to feed the people of America. It will be necessary to find new industrial uses for the surplus agricultural products.

I think the Senate had better accept the conference report. I do not particularly like it; but I do not know of anything better at the moment. I think it will have a tendency to create more surpluses, as a result of the 90 percent of parity price supports, but I am one who does not particularly care, because I do not think 90 percent or 80 percent of parity has too much to do with the problem. The thing which concerns me is the capacity and the capability of the American farmer to produce increasingly larger crops. He is producing, producing, and producing.

So I think the Senate had better agree to the conference report. I voted for the bill on the floor of the Senate a couple of weeks ago. If I voted for it then, why should I not vote for it now? I am one who hopes the President of the United States will sign the bill, and I think he will sign it. I do not think he has any other course, because I do not think there is any other answer at the moment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CAPEHART. Mr. President, will the Senator yield me one additional minute?

Mr. JOHNSTON of South Carolina. I yield one more minute to the Senator. It will have to be the last.

Mr. CAPEHART. The answer to the farm problem lies in more markets and more uses for the farmer's products. A farmer's well-being cannot be increased by cutting him back. We cannot do that. We have to do the best we can for 1 year, 2 years, 3 years, 4 years, and maybe 5 years, until the Government, helping the 6 million farmers, can find in industry new uses for their products.

The problem is not a simple one. It will not be solved by the soil bank or by 90 percent of parity supports. The problem will not be solved by 80 percent of parity. The problem will be solved only when the Congress of the United States makes up its mind to appropriate \$100 million or \$200 million or \$500 million to find new uses for farm products in industry. Then the farmer's problem will be solved. The problem will not be solved by the monkey business we are talking about tonight; but let me say there is no better way right now than what we are talking about tonight.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I do not know what the President of the United States will do. I do know, how-

ever, something about the rules of the United States Senate. I know something about the rules of the House of Representatives. I shall answer the question of my distinguished friend from Indiana. The bill passed the House in May 1955. It was messaged to the Senate, and referred to the Committee on Agriculture and Forestry. That is where it lodged. When we considered the bill as reported to the Senate, we could either have killed all new farm legislation, or voted for the bill which was before the Senate. Except by passing the bill, there was no other way to get farm legislation into conference and bring back a conference report, in the hope that the difficult questions would be adjusted and there would be something we could accept. So I must familiarize my friend from Indiana with the reasons why there was an almost unanimous vote, except for 2, in the Senate. There was no other way to get the matter into conference.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DIRKSEN. No; I shall not yield.

Mr. CAPEHART. I ask for a half a minute. There is only one way to get help for the American farmer, and that is to adopt the report. It is planting time in Indiana, if you please. It is planting time all over the United States.

Mr. DIRKSEN. We are not going home.

Mr. CAPEHART. But I say to the Senator that in my opinion the conference report presents as good a bill as can be had. The answer to the problem is not in the bill; the answer is in new markets and new uses for agricultural products. That is the answer.

Mr. KNOWLAND. Mr. President, I yield one-half hour to the Senator from Florida.

Mr. HOLLAND. Mr. President and Members of the Senate, I shall not consume that much time. First I want to say that the conference on the bill was one of the most pleasant I have ever passed through, or survived—maybe that is the better word—and since I could not go to Florida for the Easter vacation, I do not know of any more pleasant place I could have spent the time than in the conference, because it was a delightful experience to find our friends in the conference committee thoroughly bent on revising the bill so as to set forth an appealing program in this political year; it was really enjoyable to watch the situation as it developed.

Mr. President, may I say I have the utmost respect for every conferee who was there, and I have already said I enjoyed the conference; but I want to make it very plain that the bill as it comes back from conference is, in my opinion, a vastly worse bill than it was when it passed the Senate, and it was certainly bad enough at that time.

What are some of the worsenings that took place? I shall mention them briefly as I can. The first is the 90 percent rigid price support this year for wheat, cotton, corn, and peanuts. My colleagues may recall that the Senate, by a very sizable vote of 54 to 41, voted down the 2-year extension of rigid 90 percent of parity price supports. The members of the

committee will recall that in committee we had voted down, by a sizable vote, a 1-year extension because we felt that it would be obvious that in this political year we were playing politics with this vital economic question of the prosperity of the farming population of the Nation if we so extended the program.

We had two votes on this subject in committee. One was on the 1-year extension, which was defeated largely on the ground that it was too patently a political maneuver, and the other was on the 2-year extension which carried in the committee, but when it got to the floor of the Senate, was voted down by a vote of 54 to 41.

In conference we took the political course—and I say “we” without including myself as one who followed that course—of holding the Senate and the Congress up to the fair opinion of the good people of the country by the adoption of a 1-year program, which we might as well have said would expire on November 7, 1956, as to say it would expire on December 31, 1956. We put ourselves and the Congress in the position of playing superb politics with this particular economic measure, which is an unpleasant thing to look at, but that is what it is.

There is not a Member of the Senate and there is not a person in the galleries who does not know perfectly well why the 90 percent price-support provision for 1 year appears in the conference report. I regret that it appears in the conference report for that reason. Perhaps it is too much to expect that it would not appear in the conference report in a political year. It is too bad this important measure could not have come to the floor and have been debated with more deliberation last year, before the political virus, which now seems to be so potent, had infected us in the Congress of the United States. I wish we could have considered the bill without the influence of a political year being upon the Congress. I think it is not to the credit of the Congress of the United States that we have yielded thus supinely to the demand, which comes from a minority of the agricultural producers of the Nation, to insert in the bill a provision for 90 percent of parity price supports for 1 year.

The demand does come from a minority of the producers, and every Senator knows it. They all know perfectly well that the total basic crop production amounts to about 23 cents of every dollar of agricultural production, and nearly 4 cents of that 23 cents represents the production of tobacco. So between 19 and 20 cents of every dollar of agricultural production is represented in the pressure to which I regret to say the Congress has yielded. I do not think it is much of a commentary on our own good sense to yield to a minority pressure of that kind.

I have already called attention on the floor of the Senate to the fact that many agricultural industries in the United States are prosperous, and a great many of them are prosperous because they have not yielded to the inducements and

blandishments of price supports, but, instead, have insisted on working out their own salvation as best they could. My own State is full of industries which want nothing of price supports. They think it would be weakening for them to receive price supports. They saw an example of that in the case of Irish potatoes when such supports were destroying the independence and income of potato producers and holding them up to the ridicule of the other producers of the Nation.

Senators who were here then—and they include most of those now present—will recall that the potato producers of Florida along with the potato producers of Louisiana and the potato producers of other States demanded that that program be ended, because they said it was not right, was costing the Government too much money, and was destroying the confidence of the people in any agricultural program, no matter how sound.

Then I come to dual parity, which is a receptive sort of thing because it operates so differently in the case of different commodities. Let us consider how it operates in the case of wheat. For wheat, 90 percent of parity at the dual parity level means that the wheat industry will get the parity of the horse-and-buggy days of 1910 to 1914, which will mean between 96 and 97 percent by this year's standard. It so happens that the wheat industry is now as highly mechanized, if not more so, as any other industry, whereas in the period from 1910 to 1914 the wheat industry was nowhere near so highly mechanized. It happens that the wheat industry, in being able to claim the advantage of the conditions and the parity levels of the 1910-14 period, is able to claim the advantage of a gimmick which gives that industry a very great advantage over other producing industries.

Mr. President, adoption of dual parity plus the 90 percent price support provision makes for very great inequalities among our commodities, particularly in the case of wheat for this year, because on the basis of present parity levels, that will amount to 96-plus percent of parity. For the next year and the year after, it will be even worse.

I remember that my distinguished friend, the Senator from Kansas [Mr. CARLSON], whom I see in the Chamber at this time, sold us on the floor of the Senate—as indicated by a very considerable vote, as I recall—on the 2-price system, which really is a 3-price system, for wheat. He did so on the basis of repeating—and he repeated it in a colloquy with the Senator from Florida—that he was simply offering something which might be used, but which the Secretary of Agriculture would always have the right to decline to use if it proved not to be fair. However, instead of being brought forward in that way now, we find that that proposal comes from the conference as a mandatory one, so that if the referendum carries, the Secretary of Agriculture will no longer have the discretion which was provided in the measure as passed by the Senate, in regard to putting that program into effect or not putting it into

effect, depending upon how fair it might seem to be. Instead, the conference report makes this provision mandatory. So that constitutes a material change from the bill as passed by the Senate, and a material change which I wish to state for the RECORD, and which I wish to have every Member of the Senate aware of when he casts his vote on the conference report tonight.

Mr. President, I think I should also mention another matter in reference to the wheat program, namely, the completely unfair treatment as between that to be received by the producers of hard and desirable and millable and salable kinds of wheat and the treatment for the producers of the less desirable kinds. The distinguished Senator from Vermont [Mr. AIKEN] has already made the point—but I shall refer to it again, in passing—that it is a fact that even the area in the Far West which produces white wheat does not send to the mills, for consumption by the American people as a part of their food, more than a very small percentage of its production, approximately 20 percent; and the Senator from Vermont has pointed out that under the conference report, in connection with the three-price system for wheat, if that system is adopted, those who produce such wheat will receive exactly the same kind of certificates as the ones which will be issued to producers of highly desirable kinds of wheat, for approximately 51 percent of their entire production, and that they will be issued at 100 percent of parity at the dual rate, which will run up to approximately 107 or 108 percent, whereas the producers of the fine wheat which is desired by the millers will receive the same kind of treatment. If that is fair, then I do not know the meaning of the word “fair.”

Next, Mr. President, I wish to refer to the $\frac{7}{8}$ -inch staple cotton program. A careful program was worked out by the committee, under the leadership of the distinguished Senator from Mississippi [Mr. EASTLAND] and the distinguished Senator from New Mexico [Mr. ANDERSON], under which we were making a real effort again to have American cotton get into competition with cotton coming from other countries, so that American producers would have a chance to recapture their part of the export market. Likewise, under that program we were trying to get into a competitive position with synthetic fibers produced domestically. The Senator from Vermont has already ably mentioned them.

Mr. President, as a result of those three provisions of the conference report—namely, the 90 percent parity provision, dual parity, and the $\frac{7}{8}$ -inch staple standard for cotton—on which the Senate conferees have yielded to the House conferees, rather than to insist upon what the Senate wrote into the bill and what came from the Senate committee, the Senate's well laid out program is entirely destroyed. So I am quite unhappy that the benefits of an effort lasting approximately one year, in connection with which most of the elements of the cotton industry have co-operated in working for the development of a common program, have been so

ruthlessly destroyed in favor of a sop in the form of a 1-year price support program at 90 percent. If there is anything fair and anything farsighted and anything statesmanlike about that kind of action, I do not know what it is, because the conference report ruthlessly destroys our well-laid-out program and our deliberate plan in the case of the great cotton industry to recapture the American share of the foreign markets and to recapture a competitive position for the synthetics produced in this country.

Mr. President, I wish to mention in particular the weak provision pertaining to the feed grains. I do not know how it will work, and I do not know that anyone else can say that he knows how it will work, but I think I know what will happen, and I wish to state it for the RECORD. I think this program for small grains will do two things which will be hurtful, instead of helpful, aside from hurting the livestock industry, to which I shall refer in a moment.

In the case of the production of corn from the commercial area, let us say, two things which I think will be done will be very hurtful to the commercial corn producers: First, I think the price level which will be created will be so tempting that we shall see Canada devoting hundreds of thousands of acres of land to the production of feed grains, rather than to the production of wheat. We have already had trouble of that sort. I call attention to the fact that the Canadian granaries are full, just as our granaries are full. Hundreds of thousands of acres of land in Canada are available for diversion from wheat production to the production of small grains. Mark my words, Mr. President: We shall see Canada claim an unusually large share of the market in the northern part of our country.

Perhaps there is a good element in that situation, at least insofar as my section of the country is concerned, but it will not be good for the commercial corn growers. I refer to my belief that we shall see the great centers of poultry production and dairy production in the South turn all the more to the production of small grains in the areas which are noncommercial areas in general, rather than to look for their mixed feeds or other feeds to the commercial areas of production. Why should not the poultry industries of Gainesville and Harrisonburg and the dairy industries in the milksheds of Atlanta and Houston and Dallas and New Orleans and the other places which occur to all of us, turn to greater production in their own communities of the small grains which can be produced there, and the production of which can be greatly enlarged there when the price level will be forced up by having the Government buy and buy from the commercial corn producers; and why would not it be a good thing for producers who are farther away from the commercial Corn Belt to increase their production? I suspect that we shall see much of that occur.

The fundamental difficulty in the small-grains provisions is that they cannot be added up in any way which will come out right. For instance, in the

conference report the corn-producing area is arbitrarily divided into a commercial belt and a noncommercial belt. When we try to work out a formula which would adjust the other four grains to those belts, although the other four grains are not at all indigenous or peculiar or applicable to them, we are bound to have trouble, and we are bound to have a Chinese puzzle which cannot be solved. That is exactly what will happen under the small-grains program.

I see that my time is rapidly running out, and here are several other points which I should like to mention. One of them relates to the manner in which grain production affects the livestock industry, and it is not the only thing in the conference report which adversely affects the livestock industry. In conference we yielded—again I say “we” without including two of us—to the demand of the House to eliminate a provision which I thought afforded the most teeth, namely, the amendment offered by the two Senators from Wyoming, providing a penalty against anyone who grazed lands under the soil bank program. That provision was eliminated. So I can see several scythes cutting off whatever there is left in this bill of prosperity for the livestock producers. There is no way to deny it, because they are there, and he who looks should see.

There is another place where we eliminated salutary provisions. Two entire sections and a part of another section in the Senate version of the bill were designed to protect tenants and sharecroppers. It was an excellent protection. That suffered the same fate as the protection which we had written in for livestock producers. The meat of that provision was eliminated. The provision with respect to forfeiture of anything in the way of price supports was eliminated, as was the provision bringing the tenant into the picture by giving him some right to be consulted with respect to placing into the program land of which he had been the husbandman. That provision, requiring his consent and consultation with him, was eliminated from the bill, along with other portions of the Senate measure which gave full protection to the humble man in the picture.

I do not think it is too much to say that on this point the bill in its present form, as compared with the Senate bill, becomes a landlord bill instead of a fair bill in which the landlord and the tenant receive equal consideration and equal care at the hands of the Federal Government.

Another one of the provisions which was eliminated from the bill was the provision which I had offered, called the compulsion amendment. It sought to require some measure of equality of participation and sacrifice by those who went into the soil bank, so that if they accepted the very great benefits of the soil bank, and particularly the acreage reserve, they would have to place in the program land which came out of their production, and they would have to agree not to put that land into production of other crops which were price-supported.

That is the very essence of fairness. It is cross-compliance. It is entering

into the picture now not as a part of the original program, where it ought to have been, but as an ancillary part of the soil bank program. The Senate voted for it. That provision went out in the conference. So did everything else which tended to require any sort of equitable participation and equal sacrifice by growers of a given commodity, in the very laudable soil bank program.

One further point, and I shall be through. It will be remembered that the distinguished Senator from New Mexico [Mr. ANDERSON] announced to the Senate he proposed to vote—and he did vote—for a certain provision in the bill which is about the only bad provision we finally eliminated in conference. It would have jumped up the set-aside to some ridiculous proportion. He stated that he voted for it because he thought it would bring pressure to bear on the conferees which would compel them to come back with a better surplus-disposal program. He was hoping that we would hold onto what we had by way of a better surplus-disposal program, and build from there.

However, I am sorry to have to report to the Senate that, instead of what he expected to occur, we lost even what we went to conference with.

The Senator from Vermont has already stated that there was taken out of the bill the provision under which the surplus-disposal program would have been strengthened by placing a mandate upon the Secretary of Agriculture, with sole power to make decisions with respect to which he is now hampered by interference from the State Department. I refer to decisions as to the amount or volume of the various surplus commodities which are to be handled in the surplus-disposal program.

I am sorry the Senator from New Mexico is not present to participate in the discussion, because of the fact that, instead of forcing a better surplus-disposal program, and instead of improving it, we come back from conference with a surplus-disposal program which, with the 90 percent of parity price supports and other features, will enhance surpluses, fill up more warehouses and more ships, and cause them to overhang the market with even greater harm than results from the surpluses which now hang over it. After all, we know that the crux of the entire situation is the immense surplus which hangs over our heads and destroys markets.

Mr. President, how much more time have I?

The PRESIDING OFFICER. The Senator has seven more minutes.

Mr. HOLLAND. There is one further thing to which I should like to refer, and that is the statement which I have often heard made by my distinguished friend the Senator from Louisiana [Mr. ELLENDER], who has done such a noble job in the preparation of the bill. I suspect that he is heartsick at the fate of this year of effort. I heard him say repeatedly that the 90 percent price support was not adopted as an incentive to greater production, and that it did not result in greater production. I had never heard that argument seriously advanced by anyone before. So I took the pains to

examine some of the measures of the wartime, and of the time which followed, to see exactly what were the words of those who had been responsible for the drafting of such legislation during wartime and in the period following, when reference was made to the 90 percent price supports, and what was intended to be accomplished by them.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a summary of price-support legislation.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF PRICE SUPPORT LEGISLATION

1. 1933: Public Law 10 of the 73d Congress (1933) sought to establish and maintain such a balance between production and consumption of agricultural commodities and such conditions in the marketing of agricultural commodities as would give to such commodities sold by farmers their prewar purchasing power.

One plan included in the law was with reference to cotton. It provided that cotton financed wholly or in part by the Government and then under control of the Government should be sold to the Secretary of Agriculture who was directed to sell on time this cotton to cotton farmers at the then market price in lieu of their producing a like amount in 1933. This cotton thus sold to the farmers and held by the Secretary of Agriculture in trust for them, was to be disposed of by March 1, 1935. After deducting costs to the Government, the profits, if any, were to be given to the farmer who had contracted to receive this information and reduced production.

Part 2 of the act involved two principles, namely, the leasing of land by the Government to reduce production and the so-called allotment plan to increase prices by taxing the processor of the raw material. Under the principle of land leasing, the Senate report stated that of an estimated 350 million acres under cultivation the proper reduction in production should be from 50 to 60 million acres.

The bill made provisions for raising additional revenues that were expected to equal expenditures under the program. These were in the main from a processing tax. The plan provided "that there should be a tax levied and collected on the processor sufficient to bring the price of the farm products domestically consumed up to a parity that existed between farm prices and the price of the commodities that the farmer has to buy; between 1909 and 1914. This tax levied and collected from the processor shall be added to the price that the farmer is now receiving for his products, thus giving him for that part of his products domestically consumed a price representing the parity that existed between what he sold and what he bought from 1909-1914" (p. 3, S. Rept. 16, 73d Cong., 1st sess.).

(The Secretary of Agriculture was given the power to alter such tax from time to time as he deemed proper to meet the effect that the tax had upon the consumption of the commodity. He was to take into consideration the effect that such a tax upon the given commodity would have in increasing the consumption of competing commodities as well.)

"It is provided that the bill shall cease to be in effect whenever the President finds and proclaims that the national economic emergency in relation to agriculture has been ended" (p. 8, H. Rept. 6, 73d Cong. 1st sess.).

("SEC. 13. This title shall cease to be in effect whenever the President finds and proclaims that the national economic emergency

in relation to agriculture has been ended; and pending such time the President shall by proclamation terminate with respect to any basic agricultural commodity such provisions of this title as he finds are not requisite to carrying out the declared policy with respect to such commodity") (Public Law 10, 73d Cong. sec. 13).

2. 1935: Public Law 320 of the 74th Congress amended the AAA to amend that program by—

(1) Providing for the so-called ever-normal granary plan;

(Under this plan the Government was authorized to acquire agricultural commodities which had been pledged as security for public loans, and to make payments "in kind" to producers who cooperate in the adjustment programs. This program was proposed to maintain adequate reserves of food and fiber and smooth out fluctuations in price.)

(2) Providing for payments in connection with the exportation of basic agricultural commodities and products and for removal of quantities thereof from the normal channels of trade and providing for payments on that part of the production thereof which is for domestic consumption;

(3) Providing for effective marketing agreements and orders to accomplish the objective of parity price for certain nonbasic agricultural commodities, milk, and tobacco;

(4) Redefining parity price so as to include increases in tax and interest payments in the computations for determining parity;

(5) Providing a fund, which is in addition to and apart from Agricultural Adjustment Act funds, which is to be used for exportation of major agricultural commodities and products, removal of agricultural commodities and products from the normal channels of trade and commerce, acquisition of submarginal lands, and financing acreage and production adjustments of agricultural commodities; and

(6) Authorizing restrictions on imports from abroad which threaten the agricultural program.

3. The 1938 act required price-support loans on wheat, cotton, and corn between 52 and 75 percent of parity.

AGRICULTURAL ADJUSTMENT ACT OF 1938

Public Law 430 of the 75th Congress (1938). This act approached the farm problem on four major fronts:

First, it strengthened the Soil Conservation and Domestic Allotment Act;

Second, it provided for loans on agricultural commodities in order to enable farmers to finance the storage and warehousing of commodities in years of excessive yields so that surpluses may be kept off the market and so that in years of drought or other adverse conditions, supplies of agricultural commodities would be plentiful;

Third, in years of excessive production it provided for the withholding from market in interstate and foreign commerce of surpluses of the five major nonperishable agricultural commodities; and

Fourth, it provided means by which markets at home and abroad for agricultural products would be restricted and new ones found.

It required price support on wheat, cotton, and corn between 52 and 75 percent of parity.

4. The act of May 26, 1951, provided price supports on the 1941 crops of rice, tobacco, cotton, corn, and wheat at 85 percent of parity. As passed by the Senate, this legislation included no parity provision and as passed by the House, it included a provision at 75 percent of parity. The conference agreement made the basic rate 85 percent of parity.

Public Law 74 of the 77th Congress required in paragraph 10 thereof price supports on the 1941 crops of rice, tobacco, cotton, corn, and wheat at 85 percent of parity.

In the legislation as originally passed by the Senate (S. J. Res. 60, 77th Cong.) there was no such provision. In the House companion measure (H. J. Res. 149, 77th Cong.), also in the report, the purpose of the resolution is stated to be as follows:

"The proposed resolution is designed to simplify the administering of marketing quota programs on corn and wheat and to enable farmers to make the quota more effective in accomplishing the purpose of the act."

Nevertheless, in paragraph 10, the CCC is directed to make available upon the 1941 crops of cotton, corn (in the commercial corn area), wheat or tobacco, loans to cooperators at the rate of 75 percent of parity. The only explanatory comment made with reference to this section is that "the only effect of this paragraph is to make the loan rate under section 302 of the act mandatory at 75 percent of parity." (Quotes from p. 3 of H. Rept. 364, 77th Cong., 1st sess.)

When the measure returned to the Senate, the Senate disagreed with the amendment and asked for a conference. When this matter went to conference, conference agreement made the basic rate 85 percent of parity.

The following is taken from the statement of the managers on the part of the House with reference to this subject:

"The House amendment contains a provision not found in the Senate resolution, establishing loan rates on the 1941 crop of cotton, corn, wheat, rice, or tobacco, if marketing quotas are in effect for them in 1941. The basic rate to cooperators is 75 percent of parity. The rate to cooperators outside the commercial corn-producing area in the case of corn is 75 percent of the basic. The rate to noncooperators (except outside the commercial corn-producing area, in the case of corn) is 60 percent of the basic rate, but only on the amount which would be subject to penalty if marketed. The conference agreement makes the basic rate 85 percent of parity."

5. Public Law 27, 77th Congress, directed the CCC to make available loans upon peanuts when marketing quotas are in effect at rates not less than 50 percent, and not more than 75 percent of parity.

6. The act of July 1, 1941 (the Steagall amendment) provided support at not less than 85 percent of parity or comparable price for nonbasic commodities for which increased production was sought:

"Recently the Secretary of Agriculture has found it necessary to encourage farmers to increase the production of certain crops in order to obtain additional supplies for export to Great Britain during the present emergency. Under these circumstances, farmers are entitled to some assurance that after they have increased their production upon the encouragement of the Government, the increased supply will not be allowed to depress the domestic market to a level of unreasonably low prices. In order to meet this obvious need section 4 is included in the bill for the purpose and with the intent of assuring farmers, upon being encouraged by the Secretary to increase their production of any commodity during the present emergency, that the Department of Agriculture will undertake, within the limitations of funds available, to provide through loan programs, purchase programs, and other programs for the maintenance of a price for such commodity of not less than 85 percent of the parity price therefor, or, under certain circumstances in the case of nonbasic commodities, a price comparable to not less than 85 percent of the parity price for other commodities. In addition, under the provisions of section 4 such a program would not be discontinued without allowing producers a reasonable time within which to readjust their production." (H. Rept. 742, 77th Cong., 1st sess. (Mr. Steagall).)

Section 4 of the act (Public Law 147, 77th Cong.) reads as follows:

"Whenever during the existing emergency the Secretary of Agriculture finds it necessary to encourage the expansion of production of any nonbasic agricultural commodity, he shall make public announcement thereof and he shall so use the funds made available under section 3 of this act or otherwise made available to him for the disposal of agricultural commodities, through a commodity loan, purchase, or other operation, taking into account the total funds available for such purpose for all commodities, so as to support a price for the producers of any such commodity with respect to which such announcement was made of not less than 85 percent of the parity or comparable price therefor. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this section if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities. Any such commodity loan, purchase, or other operation which is undertaken shall be continued until the Secretary has given sufficient public announcement to permit the producers of such commodity to make a readjustment in the production of the commodity. For the purposes of this section, commodities other than cotton, corn, wheat, tobacco, and rice shall be deemed to be nonbasic commodities."

7. The act of December 23, 1941, extended the May 26 act to include peanuts and to cover the 1941 through 1946 crops (Public Law 374, 77th Cong.).

8. Stabilization Act of 1942: Public Law 729 of the 77th Congress required support at 90 percent of parity for the six basic commodities until 2 years after the end of hostilities (December 31, 1948). Also, section 9 of that act extended the Steagall amendment to cover the same period, and raised the minimum support for Steagall commodities to 90 percent of parity or comparable.

It is indicated in the House report on this bill (H. R. 7565) that the purchase of the 90 percent support is for carrying out the recommendation of the President with respect to the placing of a floor under prices of farm products.

9. Stabilization Act of 1944 provided price support for cotton at 92½ percent of parity, and the Surplus Property Act of 1944 increased that rate to 95 percent. (Public Law 383 and Public Law 457, 78th Cong.).

10. The Agricultural Act of 1948 required support at 90 percent of parity for 1949 crops of the basic commodities and at certain lower levels for the Steagall commodities of the 1949 crops. 1950 and subsequent crops were to be supported at from 60 to 90 percent of parity or at other specified levels (Public Law 897, 80th Cong.).

These provisions never became effective.

"The price-support programs for agricultural commodities which would be modified and continued by this bill came into being principally because of the urgent demands for increased food and fiber production to meet war and essential civilian needs. * * * These programs have been invaluable in obtaining necessary production of agricultural commodities. Most of the various price-support programs were scheduled to terminate 2 years after the first day of January, immediately following the date upon which the President, by proclamation, or the Congress, by concurrent resolution, declared that hostilities in the present war had terminated. This 2-year period of mandatory price support at certain levels was provided originally to give producers an opportunity to make readjustments in production" (p. 2, H. Rept. 1776, 80th Cong., 2d sess.—Congressman HOPE—with reference to the Agricultural Act of 1948).

11. Agricultural Act of 1949 (Public Law 439, 81st Cong.) provides for support at 75 to 90 percent of parity for basic commodities and at certain other levels for other commodities.

Section 402 of this act provides that "price support at a level in excess of the maximum level of price support otherwise prescribed in this act may be made available for any agricultural commodity if the Secretary determines, after a public hearing of which reasonable notice has been given, that price support at such increased level is necessary in order to prevent or alleviate a shortage in the supply of any agricultural commodity essential to the national welfare or in order to increase or maintain the production of any agricultural commodity in the interest of national security."

With reference to the 1949 Agricultural Act, the Senate report (S. Rept. 1091, 81st Cong.) contained this comment:

"During the past decade, price supports for agricultural commodities have played important and varying roles in the economy of the country. Prior to World War II, the major purpose of the program was to support and maintain the purchasing power of the farmer at a level which would allow agriculture to play its proper part in a stable economy. During the war the price-support program was used successfully as a national-defense measure by encouraging increased production of food and fiber vitally needed by ourselves and our allies. Price supports which were incentives for production became an established principle in our wartime program" (p. 1).

(It is interesting to note that section 402 of the act provided for increased production to prevent or alleviate a shortage in supply of the commodities essential to public welfare.)

12. Section 106 (a) of the act of June 30, 1952 (Public Law 429, 82d Cong.) required 90 percent of parity support for basic commodities so long as title IV of the Defense Production Act authorizing price controls was in effect.

With reference to Defense Production Act amendments of 1952, the House committee (SPENCE) stated:

"It is obvious that price stabilization requires not only fair prices to consumers but also fair prices to producers. In the field of agriculture, we know from experience that unless agricultural producers receive a fair price for the commodities they produce, we are not likely to have the high level production we need." (P. 22, H. Rept. 2177, 82d Cong.)

During the hearings on this bill, the Secretary of Agriculture stated as follows:

"The Nation today is confronted by an emergency calling for high level production. We need favorable prices and adequate price protection to provide an economic climate favorable to high level production * * *." (P. 22, H. Rept. 2177, 82d Cong.)

13. Section 2 of Public Law 585, 82d Congress (July 7, 1952), required support at 90 percent of parity for the 1953 and 1954 crops of the basic agricultural commodities.

With reference to this legislation, the House committee report filed by Mr. COOLEY contained the following statement:

"Section 2 of the bill will extend for the same period of time (through 1955) the present price-support program for the basic commodities at 90 percent of parity. It is the belief of the committee that the enactment of this provision is absolutely essential to assure the Nation adequate production of these important agricultural commodities during this emergency period."

"It is certain that the bill will add tremendously to the response that may be expected from farmers to the Government's request for high-level agricultural production." (H. R. 8122, H. Rept. 2188, 82d Cong.).

14. Agricultural Act of 1954 (Public Law 690, 83d Cong.) provided for support of the 1955 crops of the basic commodities at 82½ to 90 percent of parity. (Then reverts to 75 percent to 90 percent.)

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I cannot yield now because of my limited time. I regret it very much. On the 1949 Agricultural Act, the Senate committee report, which was concurred in by the distinguished Senator from Louisiana [Mr. ELLENDER] and by most of the present members of the Committee on Agriculture and Forestry, reads in part as follows:

Price supports which were incentives for production became an established principle in our wartime program.

There is no question about that being the case.

I ask that all of the quoted material be included in the RECORD at this point in my remarks.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

SENATE REPORT No. 1091

During the past decade, price supports for agricultural commodities have played important and varying roles in the economy of the country. Prior to World War II, the major purpose of the program was to support and maintain the purchasing power of the farmer at a level which would allow agriculture to play its proper part in a stable economy. During the war the price-support program was used successfully as a national defense measure by encouraging increased production of food and fiber vitally needed by ourselves and our allies. Price supports which were incentives for production became an established principal in our wartime program.

Mr. HOLLAND. I quote another statement by Representative SPENCE, which he made in 1952:

In the field of agriculture, we know from experience that unless agricultural producers receive a fair price for the commodities they produce, we are not likely to have the high level production we need (p. 23, H. Rept. 2177, 82d Cong.).

Then the following statement was made by the then Secretary of Agriculture, Mr. Brannan:

The Nation today is confronted by an emergency calling for high-level production. We need favorable prices and adequate price protection to provide an adequate climate favorable to high-level production.

I have quoted from the 1952 report.

In connection with the legislation adopted in 1952, the House committee report filed by Representative COOLEY contained the following statement:

It is the belief of the committee that the enactment of this provision—

That has to do with the 90 percent provision—

is absolutely essential to assure the Nation adequate production of these important agricultural commodities during this emergency period. * * * it is certain that the bill will add tremendously to the response that may be expected from farmers to the Government's request for high-level agricultural production.

Mr. President, it cannot be denied that in the report on each extension and in the enactment of the original

Bankhead bill it was stated in reports and on the floor and in other ways, by the responsible Members of the House and of the Senate who handled the measures, that high level supports were designed to force heavy production, and that later, after they had accomplished heavy production, they had become the established principle of our Nation's agricultural economy because they had succeeded in bringing about heavy production.

The last language I wish to quote is from a report filed by my distinguished friend the junior Senator from North Dakota [Mr. Young] in 1952. The statement reads as follows:

Your committee views this legislation as particularly important at this time. Farmers are being asked to achieve record production goals in 1952 and similar record production will be needed in 1953 and perhaps for several years. Without the enactment of S. 2115, large groups of producers face sharp reductions in the parity price for their product in 1954. Farmers cannot be expected to do their best productionwise unless such an adverse situation is prevented.

Mr. HOLLAND. There is another quotation from my distinguished friend, the junior Senator from North Dakota, but I shall not place it in the RECORD at this point. He has already placed it in the RECORD himself as a communication which he sent to his constituents in 1952.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, may I have 1 additional minute?

Mr. AIKEN. I yield 1 more minute to the Senator from Florida.

Mr. HOLLAND. I should like to make one more statement, and that is that Senators who force this kind of bill to enactment are ignoring the fact that a large part of our country does not want it, and that a great many people in our country will not stand for it. Further, the whole matter will come back to plague Senators if this bill is passed.

For instance, I have before me a poll taken of country editors throughout the United States by the American Press magazine. I ask unanimous consent to have page 12 and the top of page 13 printed in the RECORD at this point as a part of my remarks. I merely read the headline: "Don't Return to Rigid Price Supports for Farmers, Country Editors Warn."

The country editors know pretty well what the sentiment of their people is, and what is good and what is bad for the commodities in their areas. That is the sentiment we are getting from that group of people.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

DON'T RETURN TO RIGID PRICE SUPPORTS FOR FARMERS, COUNTRY EDITORS WARN

"Continue Eisenhower's flexible price-support program, or eliminate price supports altogether—but don't return to the 'rigid' price support for farmers.

"Try out the soil bank idea.

"Repeal restrictions on sale of surplus farm products to Iron Curtain countries.

"Exempt farmers from the Federal gasoline tax."

That is the consensus of opinions of the country editors of the Nation on the farm program, as revealed by a poll just completed by the American Press, based on replies received from 653 editors from all sections of the United States.

The poll also showed majority approval of the job being done by the Secretary of Agriculture.

Conducted while discussion of the farm program was at its height, the American Press poll not only asked editors to give their opinion on various proposals, but also asked for their estimate of the opinions of their readers. This second part of the survey showed considerable difference between the opinions of the editors and of their readers.

Whereas only 18 percent of editors favored a return to rigid price supports, for example, 45 percent thought their readers favored the idea of going back to the old support system. And where 61 percent of editors approved the job being done by Secretary Benson, only 31 percent thought their readers approved of his work.

The survey revealed strong opposition among editors to the whole price support idea. Many who voted for the flexible supports emphasized that they should gradually be reduced and the Government should aim at getting rid of all supports as rapidly as possible.

Many of the editors felt that price supports were simply being used by politicians to get votes and stated their belief that the idea is "un-American," that the farmer should stand on his own feet like any other businessman, and that there is no more reason to give "hand-outs" to farmers than to newspaper publishers.

Sentiment in favor of the "soil bank" idea was mild—many of the editors feeling that it is perhaps "the only way out" but not a sound answer to the basic problem of the farmer.

A good many editors who thought some kinds of supports were necessary, felt they should be restricted to small farms—or include ceilings on the amount paid out—in order to help out the family-type farmer who is having a difficult time but to avoid aiding the "factory-type" large farm which, they believe, is well able to take care of itself and which should be discouraged from adding to our surpluses of farm products.

Response to the poll was the greatest of any conducted by the American press so far, indicating a high degree of interest in and knowledge of the farm problem among the country editors. Almost 50 percent of those who received the questionnaire answered it in detail, many making extensive comments on the subjects covered.

Many suggestions were made by the editors for helping to solve the farm problem, ranging from the suggestion that we adopt the plan, explained in the Bible, of a food bank such as was set up by Joseph in Egypt, to the idea that instead of worrying about getting rid of surplus products we center our attention on doing away with surplus farmers, and find jobs for them in industry.

Many other suggestions and views on the general situation are included in the comments published in this issue. A summary of the questions and answers to the poll, broken down by geographic areas, follow:

1. (a) The soil-bank plan, proposed by President Eisenhower, to help deal with the problem of farm surpluses, calls for the Government to pay farmers a yearly rental for each acre of land taken out of production. Are you for or against such a plan?

[Percent]

	North-east	South	North Central	West	Total
For.....	47	51	63	52	56
Against.....	51	47	34	48	41
No answer.....	2	2	3	0	3

1. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	North-east	South	North Central	West	Total
For.....	50	60	75	52	65
Against.....	41	34	22	39	30
No answer.....	9	6	3	9	5

2. (a) As for farm supports, which of the three choices below appeal to you most?

[Percent]

	North-east	South	North Central	West	Total
Flexible supports.....	44	38	55	48	48
Rigid supports.....	7	33	17	7	13
No supports.....	43	26	25	44	30
No answer.....	6	3	3	0	4

2. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	North-east	South	North Central	West	Total
Flexible supports.....	52	24	38	54	39
Rigid supports.....	15	67	50	24	45
No supports.....	27	7	7	15	11
No answer.....	6	2	5	7	5

3. (a) Do you favor the President's suggestion that we repeal restrictions on sale of farm product surpluses to Iron Curtain countries?

[Percent]

	North-east	South	North Central	West	Total
Favor repeal.....	60	61	70	65	66
Oppose repeal.....	34	37	30	35	33
No answer.....	6	2	0	0	1

3. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	North-east	South	North Central	West	Total
Favor repeal.....	47	54	57	41	53
Oppose repeal.....	40	38	35	44	39
No answer.....	13	8	6	15	8

4. (a) Do you think farmers should be exempt from gasoline taxes on gasoline used for farm production?

[Percent]

	North-east	South	North Central	West	Total
Yes.....	44	63	68	70	63
No.....	50	36	31	30	35
No answer.....	6	1	1	0	2

4. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	North-east	South	North-Central	West	Total
Yes.....	58	85	90	87	83
No.....	34	13	10	11	15
No answer.....	8	2	0	2	2

5. (a) Do you approve or disapprove of the job Ezra Benson is doing as Secretary of Agriculture?

[Percent]

	North-east	South	North-Central	West	Total
Approve.....	76	42	66	59	61
Disapprove.....	15	50	27	28	31
No answer.....	9	8	7	3	8

5. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	North-east	South	North-Central	West	Total
Approve.....	65	11	26	44	31
Disapprove.....	17	82	62	46	54
No answer.....	18	7	12	10	11

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. I yield the floor.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged to either side.

Mr. KEFAUVER. Mr. President, will the Senator withhold his suggestion of the absence of a quorum? The Senator from South Carolina [Mr. JOHNSTON] has promised to yield me 3 minutes.

Mr. JOHNSON of Texas. Would not the Senator prefer to have more Senators on the floor?

Mr. KEFAUVER. I thought the Senator from Texas wanted to suggest the absence of a quorum just before the Senate voted on the report.

Mr. JOHNSON of Texas. I would suggest the absence of a quorum so that more Senators may be present.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and the secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Daniel	Holland
Allott	Dirksen	Hruska
Barkley	Douglas	Humphrey
Barrett	Duff	Jackson
Beall	Dworshak	Jenner
Bender	Eastland	Johnson, Tex.
Bennett	Ellender	Johnston, S. C.
Bible	Ervin	Kefauver
Bricker	Flanders	Kennedy
Bridges	Frear	Kerr
Bush	Fulbright	Knowland
Butler	George	Kuchel
Capehart	Goldwater	Laird
Carlson	Gore	Langer
Case, N.-J.	Green	Lehman
Case, S. Dak.	Hayden	Long
Clements	Hennings	Malone
Cotton	Hickenlooper	Mansfield
Curtis	Hill	Martin, Iowa

Martin, Pa.	Pastore	Sparkman
McCarthy	Payne	Stennis
McClellan	Potter	Symington
McNamara	Purtell	Thye
Millikin	Robertson	Watkins
Morse	Russell	Welker
Mundt	Saltonstall	Wiley
Murray	Schoeppel	Williams
Neely	Scott	Wofford
Neuberger	Smith, Maine	Young
O'Mahoney	Smith, N. J.	

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSTON of South Carolina. I yield 3 minutes to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I rise to support the conference report on the agricultural bill. I believe it represents a great improvement over the bill originally proposed by the Eisenhower administration and over the bill originally reported by the Senate committee. Although it does not do all that many of us would like to have done, it will have the effect, in my opinion, of improving economic conditions considerably on the farms. That I consider to be the economic problem number one of the Nation.

I am glad that in this final conference report the matter of the surplus has been separated from the general agricultural program and therefore can be handled in an orderly manner without continually depressing present farm income. The surplus should not forever be used to hold down fair treatment to the farmer, particularly the small farmer.

Under title III of this program, the Secretary, among other things, is directed to submit to Congress recommendations for any other detailed programs necessary to carry out surplus disposal, including programs for a food stamp plan. I think that we should waste no time in putting into operation a food stamp or allotment plan. I have one pending, and the Senator from Oklahoma [Mr. KERR] and other Senators have similar plans pending. There is no doubt of the need both from the standpoint of moving the surplus and from the standpoint of improving the diets of many people throughout the Nation.

In my opinion there is no reason for great delay on the Secretary's part in producing such a plan.

I also trust that he will take immediate steps to comply with the spirit of the report in seeking to move the surplus in world markets. Here we have an opportunity not only to move much of our surplus but to do it in a way to improve our international relations.

Mr. President, I am delighted that under this program the 90 percent price level will be maintained. It is my hope that before long our agricultural programs will have special provisions for assisting family-type farming, and I am going to continue working for that. I believe it is essential to our future.

I want to compliment the many Members of the Senate who have worked so hard and so tirelessly in bringing about an acceptable agricultural bill over great obstacles. They have accomplished much in the face of stiff opposition from Mr. Benson and the Agriculture Department.

SEVERAL SENATORS. Vote! Vote!

Mr. JOHNSTON of South Carolina. Mr. President, I yield 3 minutes to the senior Senator from Georgia.

Mr. GEORGE. Mr. President, of course this bill is not all that anyone wishes to have, but it is a fair bill. The compromise brought forth by the conferees, as I have endeavored to keep in close contact with it day by day, seems to me to be a reasonably fair bill. It really gives to the President his main recommendation which he submitted in his farm message, namely, his recommendation with respect to the soil bank. Already other committees of the House and the Senate have given to the President his recommendation for a reduction of 2 cents a gallon on gasoline for the farmers' machinery.

Therefore, Mr. President, it seems to me it is a reasonably fair bill. It does not do everything everyone wants. It does not perpetuate high support prices except for the current year. Certainly, an industry which has lost from \$6 billion to possibly \$7½ billion since 1951, in the shrinkage of its prices, is entitled to some consideration.

It may be disturbing to some Members of the Senate that we are about to pass, I hope, this farm bill, imperfect as it may be and inadequate as it may be, as a relief program, but I dare say and I dare remind my colleagues that several million farmers are sitting near their television sets or with their ears to their radios listening to learn what the Senate will do.

It will give some heart to that vast population of farmers to learn that the Senate has followed the lead of the House this afternoon in paying some attention to the problems which confront the people who live on and operate the farms of the United States.

I hope, Mr. President, that we shall by an impressive vote confirm what our conferees have done through the laborious days they remained here during the Easter vacation in an effort to work out a reasonable farm bill for our people.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 2 minutes to the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. President, I should like to associate myself with the very constructive and commendable remarks of the Senator from Georgia, [Mr. GEORGE]. As a member of the committee, I have been one of those who have been working on this bill for almost a year since we began our hearings over the countryside. I think we brought forth a very good bill when it emerged from the Committee on Agriculture and Forestry. Perhaps in the main it was a better farm bill than is the one on which we are now to have an opportunity to vote. I do not think it is the best bill this Congress is able to write, but I believe it to be the best one we can get during the present session of the Congress. I have been in this business long enough to appreciate the fact that we do not always reach exactly the perfect goal or objective which we seek. If we seek too hard to get a perfect objective we sometimes wind up with nothing.

I invite attention to the fact that the problem of the farmer is a serious one. It needs some immediate constructive action, and we have an opportunity by accepting this conference report, to take a long step in the right direction.

Mr. McCARTHY. Mr. President, will the Senator from South Dakota yield for 10 seconds?

Mr. MUNDT. I yield.

Mr. McCARTHY. May I say that I think the Senator from Georgia contributed very greatly to this bill, and I agree with him wholeheartedly?

Mr. BENDER. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I think my time has expired.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Ohio.

Mr. BENDER. Mr. President, I come from a State where the going is rough, and politics is pretty even, but I am not playing politics with this bill. The Eisenhower administration did not create the present condition. They inherited it. They found it here when they assumed office. Certainly the President and our great Secretary of Agriculture have done as good and as honest a job as they could to solve the problem. I refuse to play politics on this vote. I am voting to support the President and the Secretary of Agriculture. If anyone else has ever come up with any other reasonable solution, I do not know what it is.

Ohio is an important State. It is a great agricultural State, and I believe the people of Ohio respect honesty and respect a man of integrity who inherits a problem and who is trying to do a good job in solving it.

So, Mr. President, I shall vote with the administration.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to myself.

Because of the limitation of time the distinguished Senator from Florida [Mr. HOLLAND] did not get an opportunity to put into the RECORD a part of an editorial from the Tampa Morning Tribune, and he has requested that I do so. I think the significant paragraph of the editorial is this:

It just does not make sense—

Speaking of the conference report.

It is equivalent to ordering youngsters at a PTA carnival to engage in a hotdog-eating contest to counteract indigestion caused by prior over-indulgence.

Mr. President, Senators may honestly differ on this issue as on all other issues which come before Congress. Anyone who knows President Eisenhower and Secretary Benson can have no reservation, I believe, in the knowledge that they are vitally interested in all segments of the American economy. The President of the United States is devoted to the American people. He recognizes that what is a disadvantage to any single segment of the national economy will ultimately react upon all its segments.

It is my belief, and I think it is the very strong feeling of the administration, that the conference report which is now before the Senate will not solve the agricultural problems of the Nation but, to the contrary, will multiply them. If the administration thought the bill

would do the things which those who have spoken in favor of the conference report seem to think it will do, I believe the administration would be favorably disposed toward the measure. But it is my judgment that the bill in the form in which it has finally come from the committee of conference is totally unacceptable to the administration, and that they believe it is unworkable from an administrative point of view.

We have our job to do. In due time the executive branch, of course, will have to assume their responsibility.

The VICE PRESIDENT. The time of the Senator from California has expired.

Mr. KNOWLAND. I yield myself an additional minute.

I hope, in the event the bill in its present form does not become the law of the land, that Congress will still proceed to develop additional agricultural legislation for the benefit of the American farmer. The bill in its present form will be, I believe, a disadvantage to the farmers of America. I believe it will be unworkable from an administrative point of view.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 3 minutes to the distinguished junior Senator from Kentucky.

Mr. BARKLEY. Mr. President, I support the conference report. I support the 90 percent of parity program, as I have supported it for many years. On one occasion, when I occupied the chair now occupied by the distinguished Vice President, I broke a tie vote in behalf of the 90-percent formula.

My regret is that the conference report provides for a term of only 1 year, which probably will make it necessary to thresh out the whole question again next year, to determine what sort of agricultural legislation Congress will give to the farmers of the Nation.

It has been charged this evening that the farm bill is before Congress because of politics. If it is here because of politics, it necessarily follows that it is here because of cheap politics. I do not believe that any such charge is justified. I do not believe the great Committees on Agriculture or the conferees of both Houses have brought the measure before Congress because this is a presidential year, and because they wished to curry favor with some group of the American people.

The Senator from Ohio [Mr. BENDER] intimated that the bill was here because the present administration inherited a farm problem from the previous administrations. Mr. President, if it had not been for the previous administrations, the Nation would still be floundering in the bankruptcy which it inherited 2 decades ago.

The bill is not political, any more than anything which is governmental is political.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. BARKLEY. I have not the time; I have only 3 minutes.

The VICE PRESIDENT. The Senator from Kentucky declines to yield.

Mr. BARKLEY. It seems to me that our duty is plain. I do not know what

the President will do with the bill. I have the greatest respect for the President of the United States. I have the greatest respect for Mr. Eisenhower as a person and as President. But I want to discharge my duty now on the floor of the Senate. Whatever the President may do will be his responsibility, and I am sure he will do whatever his conscience dictates he ought to do.

Surely we cannot vote here in fear because the President may veto the bill. If he vetoes the bill, the responsibility will be his, not ours.

Because I believe the farmers of the Nation are entitled to know when they plant their crops what their support will be when they harvest the crops I favor the 90-percent support price. I believe now it is either that or nothing.

Therefore, I shall vote for the conference report, although I agree it is imperfect. But if the conference report shall be rejected now, we cannot hope to get a better bill, or any bill at all, at the present session, and Congress will adjourn, leaving the farmers unprotected in an economy where it is claimed that while the Nation as a whole is blessed with high prices, the economy of agriculture is constantly on the decline.

Mr. President, I decline to be frightened by the fear which seems to have possessed the souls of some of our colleagues with respect to the effects of the bill. I believe that no matter how Senators voted before, whether for rigid high supports or for flexible supports, they now have the obligation to vote the conference report up or down.

I shall support the conference report with pleasure and with some regret because it does not go far enough, in my judgment.

Mr. JOHNSTON of South Carolina. Mr. President, I yield myself 1 minute.

As I see the situation at present, we must do everything we can to help the farmers of the Nation. A few short years ago, the net income of the farmers was \$17.2 billion. This year it is \$10 billion. Thus there has been a reduction of more than \$7 billion in the net income of the farmers.

The committee of conference has tried to hold up the prices received by the farmers, in order to keep their net income from sinking even lower than it is at present.

I commend the distinguished chairman of the Committee on Agriculture and Forestry, who also was the chairman of the committee of conference, the distinguished Senator from Louisiana [Mr. ELLENDER]. He worked faithfully in the endeavor to bring forth a satisfactory bill from conference. Not only that, but he worked week in and week out, month in and month out, to report the bill to the Senate in its original form. I say to him now that we have done a good job in perfecting the bill which has come from conference. I served with the Senator from Louisiana on the Senate committee and on the committee of conference.

There is no doubt in my mind that the Senate will agree to the conference report. But before taking this vote, I remind the Senate that this is a give-and-

take bill, and that this is the best possible measure that could be obtained under the circumstances.

We have moulded together the desires of the Senate and the House. We have not achieved all that the Senate desired; neither have we achieved all that the House desired. Certainly the farmers have not achieved all that they need to restore themselves to their rightful place in our Nation's economy. But I must point out that the conference report is much better for the farmers than either of the bills that passed the House and Senate.

I would have not signed the report if I did not think it was the best possible measure obtainable.

We cannot leave the farmers high and dry with no legislation, which is what we would be doing if we failed to agree to the conference report. To do this would be to leave the farmers at the mercy of the Benson Department of Agriculture and its programs, which have slid the farmers down into the muck of a depression while being surrounded by high prosperity on every hand for everyone else.

The House has agreed to the conference report by a vote of 237 to 181. To do our duty to the farmers of this country, we should and must agree to the conference report now before the Senate.

I hope the Senate will agree to the conference report.

Mr. KNOWLAND. Mr. President, how much time have I remaining?

The VICE PRESIDENT. The Senator from California has 2 minutes remaining.

Mr. KNOWLAND. I yield the remainder of my time to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, had it been possible to enact proper legislation in time, the soil-bank provisions would undoubtedly have contributed immensely to the prosperity of American agriculture this year. However, it is now too late for the soil bank to be particularly effective this year. There have been so many unwise and unsound provisions added to the bill, including certain soil-bank provisions, that it would be a disservice to the farmers of the United States to enact the bill. It would be the kind of legislation which would destroy farm markets, both domestic and foreign, and especially markets for cotton. It would be the kind of legislation which would demoralize our agricultural economy. It would be the kind of legislation which would greatly increase the cost of production for livestock producers, dairymen, and the poultry men, without any assurance at all that the producers of feed would benefit.

If my colleagues will look at the chart in the rear of the Chamber, they will see the percentage of reduction in production which every State would have to make in order to enjoy the so-called benefits given to the producers of livestock feed under the bill.

Mr. President, we have on the books a very good law. It has not had a chance to work yet. If this bill fails to become law, as I am sure it will, the Agricultural Act of 1954 will take effect. We would see agricultural conditions improve un-

der that act, though not nearly to the extent to which they would have improved had not the soil-bank provisions of the bill been emasculated and wrapped up in unsound provisions which are totally unacceptable to the administration.

Therefore, Mr. President, for the good of the farmers of the United States, I shall vote against the conference report, and I hope the majority of the Members of the Senate will also vote against sending this monstrosity to the White House.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. JOHNSON of Texas. Mr. President, I yield myself the time remaining on this side.

Mr. President, because I believe it will be in the best interests of the farmers of the United States, I hope this conference report will be adopted. It was with deep regret that I read an article in the New York Times this morning explaining that the food processors have joined the Secretary of Agriculture in his lobbying to keep farm income low. I read a paragraph from the article, as follows:

Food industry interests opened a campaign yesterday to mobilize consumer sentiment against certain features of the farm bill.

They acted as a result of a telephone conversation between John Q. Adams, chairman of the board of directors of the Coordinating Committee of the Food Industries, and Secretary Benson. The committee was set up by 52 trade associations in various levels of food production, processing and distribution.

I think this article is very revealing as to the forces that are alined against the measure. It is certainly opposed by people who have little interest in the welfare of the farmer, and these people are trying to rally others to their cause.

So far as I am concerned, farm legislation will best benefit the Nation if it benefits the farmer, and not if it is designed only to help the food processors at the expense of the farmer.

This measure deserves the support of everyone who is interested in bolstering lagging farm income.

Mr. President, the bill I repeat is opposed by the food processing industry, according to the article I have just read. It is opposed by everybody except the farmers, and each Senator has a chance tonight to stand up and be counted as to whether he believes in the farmer or in the food processors and the others who have been living off the farmer.

Mr. KNOWLAND. Mr. President, on the question of agreeing to the conference report I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, will the Chair state the question?

The VICE PRESIDENT. The question is on agreeing to the conference report on H. R. 12, the Agricultural Act of 1956. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREEN (when his name was called). On this vote I have a pair with the junior Senator from Oklahoma [Mr. MONRONEY]. If present and voting, the Senator from Oklahoma would vote "yea." If I were permitted to

vote, I would vote "nay." I therefore withhold my vote.

Mr. PASTORE (when his name was called). On this vote I have a pair with the Senator from Washington [Mr. MAGNUSON]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. On this vote I have a pair with the junior Senator from New Mexico [Mr. ANDERSON]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." Therefore I withhold my vote.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Washington [Mr. MAGNUSON], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Virginia [Mr. BYRD] is absent because of illness.

I further announce that if present and voting, the Senator from Virginia [Mr. BYRD] and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. IVES] is absent because of illness. If present and voting, the Senator from New York would vote "nay."

The result was announced—yeas 50, nays 35, as follows:

YEAS—50

Barkley	Hennings	Morse
Bible	Hickenlooper	Mundt
Capehart	Hill	Murray
Carlson	Humphrey	Neely
Case, S. Dak.	Jackson	Neuberger
Clements	Johnston, S. C.	Russell
Curtis	Kefauver	Schoeppel
Daniel	Kerr	Scott
Douglas	Laird	Sparkman
Dworshak	Langer	Stennis
Ellender	Lehman	Symington
Ervin	Long	Thye
Frear	Mansfield	Welker
Fulbright	Martin, Iowa	Wiley
George	McCarthy	Wofford
Gore	McClellan	Young
Hayden	McNamara	

NAYS—35

Aiken	Dirksen	Martin, Pa.
Allott	Duff	Millikin
Barrett	Eastland	O'Mahoney
Beall	Flanders	Payne
Bender	Goldwater	Potter
Bennett	Holland	Purtell
Bricker	Hruska	Saltonstall
Bridges	Jenner	Smith, Maine
Bush	Kennedy	Smith, N. J.
Butler	Knowland	Watkins
Case, N. J.	Kuchel	Williams
Cotton	Malone	

NOT VOTING—11

Anderson	Ives	Pastore
Byrd	Johnson, Tex.	Robertson
Chavez	Magnuson	Smathers
Green	Monroney	

So the conference report on H. R. 12 was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the motion to reconsider be laid on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the motion of the Senator from Texas that the vote by which the conference report was agreed to be reconsidered.

The motion to lay on the table was agreed to.

AMENDMENT OF CODE RELATING TO ENFORCEMENT OF STATE STATUTES PRESCRIBING CERTAIN CRIMINAL PENALTIES

Mr. BRIDGES. Mr. President, I introduce, for appropriate reference, a bill entitled "To amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities."

At the outset, Mr. President, let me state that my distinguished colleague, the senior Senator from Pennsylvania [Mr. MARTIN] has a peculiar interest in the bill because of the fact that introduction of the bill was made imperative by the recent decision of the Supreme Court in the case of Pennsylvania against Steve Nelson. Inasmuch as the case arose in the State which is so well represented by our distinguished colleague from Pennsylvania [Mr. MARTIN], he has, as I have said, great interest in this bill. However, due to the fact that the attorney general of my State, a very distinguished attorney, Mr. Louis Wyman, was selected by the National Association of Attorneys General as chief counsel to plead the case before the United States Supreme Court, I am introducing the bill, and in doing so I am joined by the senior Senator from Pennsylvania [Mr. MARTIN] and the junior Senator from New Hampshire [Mr. COTTON], as cosponsors of the bill.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Will the Senator from New Hampshire be willing to permit other Senators to join in sponsoring the bill? I should like to join as a cosponsor of the bill.

Mr. BRIDGES. I am very happy to have the Senator from California do so. Therefore, I introduced the bill also on behalf of the distinguished Senator from California [Mr. KNOWLAND].

Mr. DANIEL. Mr. President, will the Senator from New Hampshire also include my name as a cosponsor of the bill?

Mr. BRIDGES. Yes, Mr. President; I also include as a cosponsor the distinguished Senator from Texas [Mr. DANIEL].

I wish to provide opportunity for other Senators to join in sponsoring the bill, if they desire to do so.

Mr. BRICKER. Mr. President, I should like to be included as a cosponsor of the bill, and I am quite sure that if the Senator from New Hampshire will arrange to have the bill made available so that other Senators may join in sponsoring it there will be a considerable

number of other Senators who will wish to do so.

Mr. BRIDGES. I thank the Senator from Ohio, and I am glad to include him as a cosponsor of the bill.

Mr. WELKER. Mr. President, will the distinguished Senator from New Hampshire permit me to join in sponsoring the bill?

Mr. BRIDGES. I am delighted to do so.

Mr. JENNER. Mr. President, I should also like to join in sponsoring the bill.

Mr. BRIDGES. I thank the Senator from Indiana, and I am glad to include his name as a cosponsor.

Mr. KUCHEL. Mr. President, will my friend, the Senator from New Hampshire, yield to me?

Mr. BRIDGES. I yield.

Mr. KUCHEL. Will the Senator from New Hampshire request unanimous consent that the bill be held at the desk until tomorrow, so that other Senators may have a chance to join in sponsoring it? I should like very much to talk to the Senator from New Hampshire about the bill.

Mr. BRIDGES. Mr. President, I request such permission.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Hampshire? Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, I am not a judge or a great constitutional lawyer, such as some persons in the United States regard themselves as being. Nevertheless, I introduce the bill, which will have the effect of clarifying the part the several States may play in protecting themselves from subversion. I think it essential that that be done. I in no way am attempting to second-guess the Supreme Court of the United States, but this is not a matter which involves intricate legalisms. It is a matter in which the Supreme Court by a divided opinion of 6 to 3 has interpreted the intent of the framers of the Constitution. The men who framed our Constitution were not all men trained in the law. Most of them were elected servants of the people as you and I are, Mr. President. I think, therefore, that it is entirely within my province to introduce the bill, and entirely within the province of the legislative branch to enact legislation which I think is necessary in order to correct a misinterpretation of the intent of our Founding Fathers.

It seems inconceivable to me—considering, as we must, that our Federal Government is based on a grant of power from sovereign States—that they had any intention whatsoever of depriving themselves of the power to deal with attempts at subversion or attempts to overthrow the respective governments of those sovereign States.

In the course of preparing these remarks a few moments ago, it was brought to my attention that the Subversive Activities Liaison Committee of the National Association of Attorneys General, of which New Hampshire's attorney general, Mr. Louis Wyman, is vice president, has just adopted resolutions urging the enactment of amendatory legislation

of this type. A meeting of these attorneys general was called today in Washington in response to widespread concern by the law-enforcement officials of the various States in regard to the situation created by the Supreme Court's decision.

Therefore I am very proud, at the request of this committee of attorneys general of the various States, and because the attorney general of my State, the vice president of that organization, has been chosen to plead the case before the Supreme Court, to introduce this bill, and I introduce it on behalf of the Senator from Pennsylvania [Mr. MARTIN], the junior Senator from New Hampshire [Mr. COTTON], the Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. JENNER], the Senator from Idaho [Mr. WELKER], the Senator from Texas [Mr. DANIEL], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Wisconsin [Mr. McCARTHY], the Senator from California, the distinguished minority leader [Mr. KNOWLAND], the Senator from Mississippi [Mr. STENNIS], and myself.

The bill (S. 3617) to amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities, introduced by Mr. BRIDGES (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McCARTHY. Let me say that I have read the Senator's bill, and I heartily approve of it. It is along the same line as one which I have introduced today, and I should like to be a cosponsor of the Senator's bill, if he will consent to it.

Mr. BRIDGES. I shall be very happy and delighted to have the Senator join as a cosponsor. As I indicated earlier to the distinguished Senator from Wisconsin, his bill is aimed at the same objective at which my bill is aimed. I told him that I was introducing it at the request of the Association of Attorneys General. I am very happy to have the Senator join as a cosponsor, because we seek the same objective, namely, to right an injustice which has been brought about by a decision of the Supreme Court which deprives the States of the Union of the opportunity to protect themselves against subversive activities.

Mr. McCARTHY. Let me say to the Senator that I think he is performing a great service in introducing the bill.

Mr. BRIDGES. I thank the Senator. I am happy to have him join.

Mr. MARTIN of Pennsylvania. Mr. President, I have joined with the distinguished Senator from New Hampshire [Mr. BRIDGES] in introducing a bill which would restore to the respective States the right to prosecute those who would destroy the Government of the United States or of the State. The recent decision of the Supreme Court of the United States upholding the decision of the Supreme Court of Pennsylvania struck down the sedition statutes of the 42

States and the Territories which have them.

I firmly believe in the right of each sovereign State to have and to enforce such legislation. A study of the debate at the time the Smith Act was approved in 1940 makes clear that Congress did not wish nor intend that it should nullify State sedition laws then existing or to be passed.

Moreover, we have the assurance of the Justice Department and the FBI that the States have administered their sedition statutes in harmony with the Federal law. We know further that information gathered by individual States has been of great value to the Justice Department and the FBI.

I do not intend to criticize or quarrel with our courts, but I believe that Congress should make its intention clear by enacting the bill which has been introduced.

I believe, that each State should have the right to combat sedition within its borders. I believe each should have the right to punish not only those who seek forcible overthrow of the State but also those who would forcibly overthrow the Nation.

These matters are locked together.

No movement can overthrow by force the government of a State and make it stick, unless it also overthrows the governments of all the States and the Nation.

No movement can forcibly overthrow the Federal Government without, at the same time, overthrowing the governments of the States.

And so I join with my distinguished colleague, the Senator from New Hampshire in an effort to plug the hole which the Supreme Court decision has made in the dike protecting our internal security.

REQUIREMENT THAT STATEMENTS ACCOMPANY CONFERENCE REPORTS

The Senate resumed consideration of the concurrent resolution (S. Con. Res. 36) requiring conference reports to be

accompanied by statements signed by a majority of the managers of each House.

PROGRAM FOR REMAINDER OF THE WEEK

Mr. JOHNSON of Texas. Mr. President, in the event that the unfinished business is disposed of tomorrow, I should like to have Senators on notice that it is planned to proceed to the consideration of Calendar No. 1628, Senate bill 3340, a bill to transfer the functions of the Passport Office to a new agency of the Department of State, to be known as the United States Passport Service, to establish a passport service fund to finance the operations of the United States Passport Service, and for other purposes.

I also give notice that it is planned to proceed at the earliest possible date with the consideration of the supplemental appropriation bill reported today.

Mr. President, there are less than a dozen bills on the calendar. I appeal to the chairmen of committees and the ranking minority members of committees to report any proposed legislation which may be ready for consideration by the Senate.

The majority leader and the minority leader are very desirous of keeping the Senate in session to act upon any necessary legislation as soon as it is reported.

I do not know that I have ever seen a calendar which had as few bills on it as the one we now have.

I expect to hold a meeting of the majority policy committee tomorrow or next day, and clear some of the bills on the calendar for consideration on the floor of the Senate.

ADDITIONAL BILL INTRODUCED

Mr. BRIDGES (for himself, Mr. MARTIN of Pennsylvania, Mr. COTTON, Mr. KNOWLAND, Mr. DANIEL, Mr. BRICKER, Mr. McCLELLAN, Mr. JENNER, Mr. WELKER, Mr. McCARTHY, and Mr. STENNIS), by unanimous consent, introduced a bill (S. 3617) to amend title 18, United States

Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities, which was read twice by its title and referred to the Committee on the Judiciary.

(See the remarks of Mr. BRIDGES when he introduced the above bill, which appear under a separate heading.)

ADDITIONAL APPENDIX MATTER

On request, and by unanimous consent, additional matter was ordered to be printed in the Appendix, as follows:

By Mr. HICKENLOOPER:

Article entitled "Communism Still Wars on Religion," written by Msgr. Maurice S. Sheehy, and published in the U. S. News & World Report of April 6, 1956.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LANGER, and by unanimous consent, the Subcommittee on Constitutional Rights, of the Committee on the Judiciary, was authorized to meet tomorrow during the session of the Senate.

RECESS

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires recognition at this time, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 9 o'clock and 26 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 12, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nomination received by the Senate April 11 (legislative day of April 9), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada, vice R. Douglas Stuart.

House of Representatives

WEDNESDAY, APRIL 11, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast been our help in ages past and art our hope for years to come, we rejoice that Thou art able and willing to make our minds and hearts the dwelling place of Thy peace and power.

We pray that we may have that courageous and conquering spirit which knows how to meet and master all the mountains of doubt and difficulty, of fear and frustration, of trial and tribulation.

Grant unto us a greater feeling of sympathy for the suffering and sorrowing and make us eager to share our blessings with all Thy needy children who are finding the struggle of life so strenuous.

Direct us with Thy counsel during the deliberations and decisions of this day and may we seek to establish among all the members of the human family a happier and more peaceful relationship.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

BIOGRAPHICAL SKETCH OF FRANK BOYCE, 13, OF ELIZABETH CITY, N. C., 1956 WINNER OF JUNIOR CITIZENSHIP AWARD OF BOYS' CLUBS OF AMERICA

(Mr. BONNER asked and was given permission to extend his remarks at this point.)

Mr. BONNER. Mr. Speaker, Frank Boyce, 13, of Elizabeth City, N. C., the 1956 winner of the junior citizenship award of Boys' Clubs of America, is regarded by his parents, Mr. and Mrs. Wilford Boyce, as just an average American kid.

Frank, a slim lad with brown hair and brown eyes, echoes this view of his father, a truck driver and fruit-stand operator, and his mother. "I reckon I just had a lot more help than many kids," he says.

But the 13-year-old, who is modest in the extreme about his achievements, can scarcely be called "average" by most standards. Those achievements include his selection last year as top player in the Pop Warner Midget Football Conference, an honor he won in competition with 40,000 boys in 266 midget leagues across the country.

In addition, last year he was also named the most valuable baseball player in the Little League in his community. More than 100 schoolmates

and fellow Boys' Club members competed in that contest.

Somehow, between his athletic activities, studies, work with the Boys' Club of Elizabeth City—785 members—and the help he gives his father in his business, Frank is able to squeeze in the operation of a newspaper route, the arduous duties of the presidency of the Junior High School Student Council—550 members—summer-camp counseling and, for extra measure, enlistment in local campaigns of the Red Cross, March of Dimes, and other local welfare drives.

The youngster received the junior citizenship award at ceremonies in New York on April 2. During National Boys' Club Week, April 2-8, Frank was to meet a number of celebrities and was scheduled to appear on TV and radio programs commemorating the golden anniversary of Boys' Clubs in America. The organization is observing its 50th anniversary this year.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 22]

Avery	Johnson, Calif.	Osmers
Celler	Lesinski	Powell
Dawson, Ill.	McDonough	Prouty
Dollinger, N. Y.	McVey	Scott
Eberharter	Miller, Calif.	Sullivan
Gamble	Mollohan	Tollerson
Gordon	Nelson	Velde
Grant	O'Brien, Ill.	
Hoffman, Ill.	O'Hara, Minn.	

The SPEAKER. On this rollcall 410 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL BILL OF 1956

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 9, 1956.)

The SPEAKER. The gentleman from North Carolina is recognized for 2 hours, at the conclusion of which the previous question on the conference report is considered as ordered.

Mr. MARTIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN. I have a motion to recommit, which I presume I will offer at the conclusion of the 2 hours of debate?

The SPEAKER. Will the gentleman during his remarks let us know what the motion to recommit is?

Mr. MARTIN. Yes, but my parliamentary inquiry is, When shall I offer the motion to recommit?

The SPEAKER. At the conclusion of the debate and when the Chair announces that the previous question is ordered.

Mr. COOLEY. Mr. Speaker, the House is about to consider a matter of paramount importance. It is rather unfortunate that a matter of such importance to so many people must, of necessity, be considered in an atmosphere which is intensified by partisan politics. I want to say here and now, as I have said from this well on many occasions, that I have taken great pride that the Committee on Agriculture has been almost entirely free from partisan politics during the entire time I have served on that great committee. I started service on that committee under the able leadership of that great statesman from Texas and beloved citizen, Marvin Jones. What I say about the nonpartisan approach to farm legislation applies not only for Marvin Jones but also for every other chairman of the committee under whom I have served. I know that every man on the committee is a devoted friend of the farmers of this Nation. This bill comes before you today not as a bill which was prompted by partisan politics. Ten devoted men, public servants, sat here in this Capitol Building during the entire Easter holiday and we worked every morning and every afternoon and long into the night in a diligent, careful, and cautious effort to present a bill to the House which we thought might be acceptable to you. I know that even while we were sitting here we were accused of trying to write a bill that the President of the United States could not possibly sign. That was a rather unfortunate and unfair accusation to make against men who were laboring long and hard in their efforts to draft a bill which the President of

the United States could sign. So, we bring this bill here to you with a conference report and a statement which contains an analysis of the bill. To show you just how impartial and nonpartisan these 10 devoted men were when the conference report was prepared, only 2 out of the 10 refused to sign the report. One was a distinguished Republican and one was a very distinguished Democrat. Eight members signed this report—3 of them are Republicans and 5 of them are Democrats.

The bill comes here as a result of the labors of men who lifted themselves above the prejudices and passions of partisan politics. We tried to write a bill which we believe will serve all of agriculture and will serve all of the people of this great Republic. I believe that we have given to the President the type of soil bank that he asked us to give him—an entirely voluntary program. We have given to him in this bill \$1,200,000,000 to implement and make effective the soil bank which he has advocated. In addition to that, we have given him \$500 million to expand and to accelerate the surplus-disposal program which has disturbed and distracted so many people. We have also given to him a special committee of five experts to study the problems of new uses and bigger and better markets for American farmers. We have given to him an Administrator of the Surplus Disposal Program, and we fixed his salary.

Now as to what is left in the bill that is objectionable: When you take into consideration the one thought that all of us know, yes, the President knows, that the downward trend in America's agriculture income is tragically leading the farmers of this Nation to the very brink of bankruptcy, we must realize that the soil bank with its \$1,200,000,000 is not even intended to increase the farm income in the year 1956 nor in the year 1957. Its primary purpose is to replace farm income while we reduce our production of crops now in surplus. The only thing in this bill that will increase farm income in 1956, yes, all of the provisions here that are even calculated to increase farm income in this year, will be stricken from this bill if I understand what the motion to recommit will contain. I understand it is proposed to strike out the price support program and to give to the farmers something less than fair treatment. As I understand the motion to recommit, the leadership responsible for offering that motion, will today, here in this House, put the farmers of America on the auction block and try to buy them at the cheapest possible price. If you cannot get them for 75 percent, if you cannot get them for 80 or 85 percent, perhaps you will be willing to go to 82½ percent. Even if you go to 89.9 percent you go out and crow about a victory. What are we fussing about?

I suppose that every man in this House that understands the plight of the American farmer and the terrific impact the loss of income has and is now having upon all the farming industry of this great Nation, would naturally want to increase farm income and to change this tragic downward trend. You know and

I know that the problems of agriculture are paramount to all other problems, and unless we solve the problems of plenty we are headed for trouble in the days ahead.

The farmers of America have been lambasted and vilified and ridiculed throughout the length and breadth of this Nation as no other group in our economy in all history has ever been lambasted and ridiculed. What have they done?

I need only quote from the lips of your own President when he said in this House in his message of January 9: "Today's surpluses consist of commodities produced in a volume imperitively needed in wartime but unmarketable in peacetime at the same prices and in the same quantity." Who among us could have foreseen that on July 27, 1953, there would be a cessation of hostilities out yonder in Korea? On that day when men ceased fighting, and American boys stopped dying, the American farmers were doing just what they had been persuaded to do; just what their Government called upon them to do. We were told to produce a 16-million-bale cotton crop, to have an abundant production of wheat, corn, and other vital foods; and that is what the American farmer did. Of course our fields flourished. Our crops were harvested.

Then the pipelines were closed. The shooting was over, and these commodities had to go into storage.

Then, the very next year, 1954, what did the farmers do? They did exactly what the experts in the Department of Agriculture told them to do: Drastically reduce wheat acreage by the millions of acres, drastically reduced cotton acreage, yes, by the millions. The farmers have done everything they could possibly do to bring production down in line with consumer demands.

Is that their great crime? Because they were told that food would win the war, food for freedom—yes, at a time when the ancient institutions of freedom were being threatened throughout the world. Now, is that a crime our farmers have committed for which they should be vilified and ridiculed?

Now we are told that within 3 years we have been on the brink of war 2 times. The great Secretary of State did not tell us about it. How do we know that we are not now at this hour on the brink of war? And if we are then we all know that these vital foods and fibers are actually a blessing to all mankind.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. Did I understand the gentleman correctly to quote the President and then say for himself that for years these surpluses that now plague us were built up as a result of the request for war production?

Mr. COOLEY. That is exactly what he said on January 9.

Mr. HALLECK. Evidently the purpose of this conference report is to propose to go back to the very same sort of incentive to increase production now when there is no war going on.

Mr. COOLEY. I know that my friend from Indiana is one of the most intelligent Members of this House. I am sure he heard me say that the very minute there was a cessation of hostilities we started on this curtailed production program. And let us understand what this support program is. It is not a program just to increase production. It has always operated in a dual fashion: When we need production we offer the high support to bring about the production so as to secure for the farmer the price that he should receive and below which he should not be permitted to go; when we want to reduce acreage we offer him the same inducement if he will curtail his acreage and comply with the Secretary's program. That is the way we are using it now. Cotton acreage came down from twenty-seven or twenty-eight million to 17 million acres; wheat acreage came down from 78 million to about 55 million.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. Is it not a fact that from the year 1941 to the year 1951, a 10-year period, the six basic farm crops that were supported at 90 percent of parity during that time were considerably above 90 percent of parity? Is that right?

Mr. COOLEY. I might say that during no year from 1942 until 1953 was the general level of agricultural prices ever below 100 percent of parity.

Mr. JENSEN. In answer to that I may say, of course, that any time we have war prices go up naturally; so I am not going to give you credit however much I agree with you on this premise. So the fact is those basic crops were over 90 percent of parity all during that time on an average.

Mr. COOLEY. The gentlemen is exactly right.

Mr. JENSEN. And that has nothing to do with the surplus?

Mr. COOLEY. Not a thing.

Mr. JENSEN. The reason we established this 90-percent floor under the basic storable crops was because we were looking into the future for such a situation as now faces the American farmers?

Mr. COOLEY. The gentleman is right.

Mr. JENSEN. And agriculture generally, to take care of the very problems that are facing us today. Now, we are asked to reduce the farmers' income when the farmer's dollar is only buying 80 cents worth of merchandise at the counter.

Mr. COOLEY. The gentleman is correct.

Mr. JENSEN. I am not going along with that kind of business, not only so far as the farmers of America are concerned but so far as industry and business are concerned, especially in the breadbasket section of America. Industry is going to suffer. They are starting to suffer now. The farmer is the basis on which our whole economy operates and sooner or later we will all be in the same boat. Industry, factories, stores, everybody is going to be in the same boat with the farmer unless we take care of the farmer and see that his dollar buys

100 cents worth of merchandise at the counter.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Illinois.

Mr. ARENDS. The gentleman mentioned a moment ago that there is a floor under the acreage on cotton?

Mr. COOLEY. Yes.

Mr. ARENDS. There is a floor under the acreage on wheat?

Mr. COOLEY. What does the gentleman mean by "a floor"?

Mr. ARENDS. I mean the minimum below which that acreage can go.

Mr. COOLEY. That is right. The law fixes that.

Mr. ARENDS. What about corn?

Mr. COOLEY. The gentleman is an expert on corn.

Mr. ARENDS. There is no acreage limitation on corn. In other words, corn goes bang, bang, bang.

Mr. COOLEY. But corn has not gone bang, bang, bang. Only about 40 percent of your farmers made any effort to go bang, bang, bang.

Mr. ARENDS. I am not talking about price. I am talking about the acreage reduction.

Mr. COOLEY. I am talking about that, too.

Mr. ARENDS. It is down to 43 million acres at this time. It must keep on going down, yet the formula says we have to reduce the acreage. You cannot do that with wheat or cotton. You go to a certain point and stop, but with corn you can go just as far as you want under the present law.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Is it not a fact that there is nothing compulsory about the corn program? It is simply an acreage allotment program and the farmers can accept it or not accept it. Other basic commodities accept acreage allotments and controls. Corn is not controlled.

Mr. COOLEY. May I say to the Members of the House that I am not going to undertake to discuss this complex controversial measure in any great detail.

Here are the major provisions, just the barest highlights, of the conference bill:

First. Ninety percent of parity for 1956 for cotton, wheat, corn, peanuts, and rice. Tobacco supports will continue to be maintained at 90 percent. This at a time when realized net income of farmers has dropped more than \$4 billion since 1951 and is at the lowest point since 1942.

Second. Restoration of the old parity formula for those basic crops where modernized parity would bring about reduction in parity levels. At the same time a directive to the Department of Agriculture to restudy the whole subject of parity and make specific recommendations to Congress for a real improvement in our parity formula.

Third. A \$1,200,000 a year soil bank in 2 parts:

(a) An acreage reserve designed to reduce acreage of wheat, cotton, corn,

peanuts, rice, tobacco, and feed grains. Payments would be made to farmers to reduce their acreage of these crops below their acreage allotments or below their 3-year average in the case of feed grains. The Department's present estimates of the payments which would be made per acre for this reduction are: Tobacco, \$100-300; cotton, \$48-60; peanuts, \$50-70; wheat, \$18-25; corn, \$36-50; rice, \$60-75; and feed grains, \$15-50. A maximum of \$750 million per year could be expended on the acreage reserve for the next 4 crop years.

(b) A conservation reserve designed to remove acreage from crop production on a semipermanent basis, for which payments approximately equivalent to the rental value of the land would be made, with an annual limit of \$450 million.

Fourth. The soil bank is substantially improved over the Senate version:

(a) The compulsory features have been removed;

(b) Limits have been put on the amounts which can be spent on specific crops, thus assuring an equitable distribution of funds;

(c) Some of the drastic and unfair penalties have been removed; and

(d) Far more adequate provisions have been made for the protection of tenants and sharecroppers.

Fifth. A domestic parity plan for wheat that will go into effect if wheat growers vote for such a plan by a two-thirds majority in a referendum. It will give growers 100 percent of parity for wheat consumed domestically and substantially the world market price for the balance of their production.

Sixth. A two-price plan for rice quite similar to that provided for wheat.

Seventh. The minimum support level for dairy products and milk is raised from 75 to 80 percent and the producers of manufacturing milk and butterfat are assured a fairer price proportionately by establishment of a \$3.25 support price for manufacturing milk and 58.6 cents per pound for butterfat.

Eighth. For the first time a program designed to bring stability to the rapidly deteriorating feed grain situation is provided. It will cut down the acreage of feed grain and give producers support prices of 85 percent of parity if they comply with the acreage reduction.

Ninth. A somewhat similar program is provided for corn. Corn producers are given an increase of about 9 million acres in their allotments for this year but will be required to put 15 percent of their cropland into the soil bank in order to be eligible for price supports on corn.

Tenth. There are various provisions to improve the disposal of surplus commodities. One provision will make surplus foods available to Federal penal institutions and to State reformatories and institutions for minors. Another provision requires the Secretary to study the various proposals for food stamp plans and make specific recommendations to Congress within 90 days.

I propose to yield to the gentleman from Kansas [Mr. HOPE] to discuss the wheat situation, to the gentleman from Texas [Mr. POAGE] to discuss the corn

and small grain situation, to the gentleman from Mississippi [Mr. ABERNETHY] to discuss the cotton section, if there are any questions to be discussed, and to the gentleman from Arkansas [Mr. GATHINGS] and to the gentleman from Texas [Mr. THOMPSON] to discuss the rice section.

Let me emphasize what the distinguished and able gentleman from Iowa just said. The people have been screaming their heads off about these vital foods and fibers in storage. It is claimed that storage is not a market place. But here are the figures that prove conclusively, and they are figures from the Secretary's own department, that when Mr. Benson went into office the price support program on the basic agricultural commodities through the Commodity Credit Corporation did not show a loss. The program showed a net profit of more than \$13 million.

Where are we now? At the end of December 1952, there was a profit of \$13,011,290 on the overall program for the basic crops. On potatoes, eggs, wool, and everything, we had lost slightly more than a billion dollars, but that was due to World War II and the Korean situation.

Here are the latest figures, February 29, 1956. The loss on basic commodities is \$560 million. That is up to the last report.

Now, let me tell you this: In this very bill we are appropriating \$500 million to give it away across the seas; not only to give it away but to pay the freight from the place of production to the seaboard and to pay the ocean charges to deliver it on foreign shores. Now, why should the gentleman complain about a \$500 million loss on basic commodities taking us through World War II and into Korea and on up to last February, just a few days ago?

Mr. ABERNETHY. Mr. Speaker, if the gentleman will yield further, is it not correct to say that the soil bank itself will cost as much in one or maybe one and a quarter years as the entire price support program has cost in 20?

Mr. COOLEY. Why, certainly. And that is the thing that I think the House should know. We give him here in this bill \$1.2 billion. He says he needs it and he wants it. Now, that is a figure that is larger than the total losses were in this program that I mentioned in 1953.

Mr. OLIVER P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. My question deals with the overall bill. It is my understanding that the Senate bill contained a limitation upon the maximum amount of payments which could be made to any one individual. It is also my understanding that there has been a bill proposed by the gentleman from Wisconsin, Mr. LAIRD, before your committee for some time, setting that limitation at \$25,000. Does this conference report contain any such limitation, sir; and, if not, was it considered by the conferees?

Mr. COOLEY. It was carefully considered in conference, and my recollection is the vote was unanimous to take it out, because we know that the little

farmer is not the one who is piling up the surpluses or in any way responsible for them. Unless Mr. Benson, through the soil-conservation program, can induce the big operators, those who are operating mechanized farms, to take out large acreages of wheat and cotton and other surplus crops, his program will miserably fail. So, when you put in a limitation, you just restrict him in the operation of the program.

Mr. OLIVER P. BOLTON. In other words, the loan program then would be designed to extend loans and make payments to the big farmers; is that correct?

Mr. COOLEY. Along with all other farmers.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. COOLEY. Well, I can give you an illustration here. One company put in 7,000 bales, I believe it was, in a loan, but he took out all but about 65 bales. They paid the Government interest. People get another foolish idea about this thing. When you loan a man money on cotton and corn, it is like going to the bank to borrow. He pays the loan back and he pays the interest on it.

Now, Mr. Benson, unfortunately—and I respect the gentleman and I certainly have a high regard for his high office—does not tell the people of America that on the cotton program alone we have made a profit of \$250 million. He does not tell the people of America that on the sugar program, which is universally popular, we have made a profit of over \$300 million. Oh, no; he does not tell them that. He does not tell them this, either, that we are today supporting sugar beets at more than 98 percent of parity. We are supporting wool at 106 percent of parity. Now, those crops grow in Utah. They do not grow down south in North Carolina.

Mr. OLIVER P. BOLTON. If I understand the gentleman correctly, when cotton is put in for a Government loan upon which interest is paid, the cotton grower then has the choice of either paying his loan, withdrawing it from storage, or of taking the 90 percent parity price at his choice. Is that correct?

Mr. COOLEY. He could take it out and sell it on the open market.

Mr. OLIVER P. BOLTON. But if he does not, he takes the 90 percent parity price?

Mr. COOLEY. Yes. And the Government sells it at the best price obtainable. I just told you, even with Benson or without Benson, we still have a profit of over \$200 million. Now, why should you want to take this program away from the farmer?

Mr. OLIVER P. BOLTON. If he is unable to sell his crop, whether it is wheat, corn, or cotton, on the open market at a price less than the 90 percent or otherwise established parity payment, he can then go to the Government and get the amount of the 90 percent or otherwise established parity payment and turn it over to the Government; is that not correct?

Mr. COOLEY. When his note falls due—it is a nonrecourse loan—the Government takes it over, and the Government then sells it. And today the United

States Government is the biggest merchant this world has ever known; and Mr. Benson is charged with the primary responsibility.

Mr. OLIVER P. BOLTON. But the Government pays him the difference between the loan and the 90 percent or otherwise established parity price; does it not?

Mr. COOLEY. No; I suggest to the gentleman that he get somebody to explain it to him; I do not have the time now.

Mr. H. CARL ANDERSEN. Mr. Speaker, will be gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. For example, when I, on my farm in Minnesota, would take out a loan on corn, I would get a loan, up to this previous year, of up to 90 percent of parity. Very well; if I cannot obtain more than 90 percent of parity for my corn, when that note becomes due, naturally I turn it over to the Government, deliver the corn to the Government, just satisfy the note. They do not in any way make up the difference between the loan and so-called parity.

Mr. DIXON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman, a member of the committee.

Mr. DIXON. The gentleman will recall that with his permission and at my request, the Secretary of Agriculture inserted in the record a statement of the losses on high support price commodities which showed a figure of over \$13 billion.

Mr. COOLEY. What is that?

Mr. DIXON. And that that \$13 billion figure had been arrived at after taking into account the profits on cotton and sugar. That figure of \$13 billion is in the CONGRESSIONAL RECORD. I can find it for the gentleman. That figure has never been successfully disputed.

Mr. COOLEY. Let me dispute it once and for all and nail it to the barn door right now. And I am going to do it out of the Secretary's own book. I have it right here. I gave the figures a minute ago. On the basics, the figure is \$560,763,769. On the whole business that the gentleman is talking about, the figure is \$2,937,445,602.

Mr. DIXON. If the gentleman will give me permission, I would like to get that statement that was submitted to the Committee on Agriculture, for the RECORD.

Mr. COOLEY. I should be glad for the gentleman to put these figures in the RECORD. I am putting these CCC audit reports in the RECORD now. These are the Secretary's figures.

Let me say something to the Members from the dairy districts. We talk about the basic program and the high support level, and so forth. Do these gentlemen know that of this loss that we are talking about here, the loss on dairy products has been over \$800 million? They have not lost any money on tobacco and cotton, and they will not lose any on those crops, if the programs are properly administered. The dairy industry pretends that they have had no relief at all.

The champion of our dairy farmers, the gentleman from Minnesota, indicates he wants me to yield to him, and I yield to him at this time.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, there are many factors that go into these figures of losses. One is the use of surplus milk in the school lunch program. Another one is the give-away program, which is taking place all over the world, the program under which they give away dairy products.

Mr. COOLEY. I hope the gentleman will not misunderstand me. I am not trying to charge these losses up to the American dairy farmer.

Mr. AUGUST H. ANDRESEN. Another thing is the markdown from 90 percent to 75 percent of parity, which is also charged up to the American dairy farmer.

Mr. COOLEY. Mr. Speaker, I want to say to my friend that all of us appreciate his great interest in the dairy farmer. Just last week in this House we passed a bill providing for an expenditure of \$75 million per year for 2 years, for milk in the school lunch program. That is \$150 million. We gave them \$10 million to continue the program for the rest of this year. That is \$160 million. We gave them \$2 million extra on the brucellosis program. That is \$162 million. Then we gave them \$20 million a year for the next 2 years under the brucellosis program. That runs it up to over \$200 million that we have provided the dairy industry of this country, just in the last week. That is the picture we have here.

Mr. KEATING. The gentleman was talking about the profits of the Government in the tobacco and cotton programs. Is it not a fact that those profits, so-called, were brought about only because of large amounts of those commodities shipped overseas in the foreign-aid program?

Mr. COOLEY. Some cotton was shipped in the foreign-aid program. But this by no stretch of the imagination could be called a subsidy to farmers. This profit in the cotton program is an actual bona fide profit, and the money is in the Treasury.

Mr. KEATING. But a large part of it was by credit from one Government Department to another?

Mr. COOLEY. No. The gentleman will find that is not right. The profit in the cotton program is real and the money is right here in the Treasury now. So is that money that came out of the sugar program.

Mr. Speaker, before concluding, for our good friends representing city districts, I should like to cite briefly the benefits that have occurred to our great consuming population during the lifetime of our farm program.

The consuming population of the United States, for a smaller percentage of their income, now eats more and better food than ever before in history. It has been in times when food was the cheapest, in relation to other values in our economy, that breadlines in the cities have been the longest.

Today the average hour's wage of a worker in industry buys more food than ever before. In 1929 the hour's wage bought only 6.4 loaves of bread. Now it

buys 11 loaves. And I invite my city friends to examine these other figures on the cost of food. An hour's wage bought 1.2 pounds of round steak in 1929, now it buys 2.3 pounds; 1.5 pounds of pork chops in 1929, now 2.8 pounds; 1 pound of butter then, now 2.7 pounds; 3.9 quarts of milk then, now 8.2 quarts; 1.1 dozens of eggs then, now 3.3 dozens; 17.7 pounds of potatoes then, 35.1 pounds now, and the average hour's wage bought 1.3 pounds of bacon in 1929, and now it buys 3.6 pounds.

Our friends from the cities also will want to take note of the fact that between 1947 and 1955, farm income decreased 37.7 percent, while the hourly wage of factory workers increased 52 percent, and dividend payments jumped 71 percent.

Our farmers deserve better treatment in this great country of ours. They are entitled to share in the blessings of our free enterprise. They are entitled to a fair share in the Nation's prosperity. That is my philosophy and that is what I am fighting for here today.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I do not wish this opportunity go by without thanking the gentleman from North Carolina, together with the other conferees, for what I think is as good a conference report as can be written in behalf of the farmers of the United States. Certainly this is a compromise. There are changes I would like made. But on the whole this bill means much to agriculture and again I want to thank the gentleman from North Carolina [Mr. COOLEY] and his colleagues for a very difficult job well done.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, as the gentleman who has just spoken has said, and I hope it is true, this is not a political measure. There has been some talk otherwise. It should not be, because it is a measure that vitally affects the welfare of not only the farmers of this country but the whole United States. In that spirit we must consider this legislation.

We all want to help the farmer. We all want to see him prosper. We all want to see him get his full share of this great economy. We must further consider that there are 155 million people who also want to see this country conducted on a sane, sensible basis. We do not begrudge the farmer anything he gets because we know he works hard for it. We people who live in the cities know that a successful agriculture is essential to the country. But we do want that money spent properly. This administration believes in helping the farmer. If it were not so, we would not have this bill here today.

The basic soundness of the President's proposal is evident from the fact that, for the greater part, they are still in the conference report. They have survived the most intensive hearings, debate, and conference to which a farm bill has ever been subjected.

The conference report which is before us is a fantastic mixture of good and bad provisions in which the bad features tend to cancel out the good. It contains the soil bank much as it was proposed by the President, though delayed beyond the time when this program could be fully effective in 1956. It contains other provisions which would be self-defeating and would pile up surpluses as fast as the soil bank could pull them down.

The bill as it stands is a many splended thing, and like the current movie of the same name, is intended as a big box-office attraction. It cannot provide farmers the help they need.

Nor do I see how the President can bring himself to sign it.

Mr. Speaker, I am assuming that every Congressman is vitally interested in giving farmers help this year. I am therefore not ready to give up hope for the passage of sound legislation. I do not believe we have yet exhausted all the possibilities of getting a good bill—a bill the President can sign—a bill that can give farmers the sound help they expect and deserve.

Proceeding from this thought, my motion to recommit H. R. 12 would instruct the House conferees to strip from the bill its self-defeating features, and to retain those provisions that will be permanently helpful to farmers.

The following features now embodied in the conference report, or in the Senate bill in the case of dairy supports, would be retained:

First. The soil bank, which is the very heart of the program, which is highly favored, and is sound. It provides for a \$750 million acreage program and a \$450 million conservation reserve.

Second. The increase in dairy price supports, as contained in the Senate version of H. R. 12. This will provide a more favorable base period for establishing dairy price supports.

Third. The surplus disposal section, because our goal must be to get rid of the surpluses that depressed farm income by \$2 billion last year. This includes the authorization for \$500 million additional for surplus removal.

Fourth. Title IV on marketing quotas and acreage allotments would be retained, except for the provision requiring mandatory price supports for feed grains. This includes no reduction in the national acreage allotment for cotton for the next 2 years and special provision for aiding small cotton farmers.

Fifth. Title VI which provides for assistance to the States in reforestation.

All of these—and they are the constructive substance of the bill—would be retained even though they fall short of perfection.

The major controversial feature of the bill is the proposed return, for 1 year, to price supports for the basic commodities at 90 percent of parity. The language in my motion for recommitment would delete this provision. My motion would substitute support for basic crops in 1956 at not less than 82½ percent of parity. This is the same provision which the House wrote into law for the 1955 crops.

Other provisions which are self-defeating, and which would hurt farmers

far more than they would help, would be stricken. These include:

First. Dual parity, or the double standard of parity. This provision would give special treatment to four favored commodities out of about 160 on which parity is calculated. There is no justification in logic or equity for this kind of favoritism.

Under the working of the modernized parity formula, the dual parity provision would pull down the parity prices of commodities other than the four favored ones. This is not well understood. All these years farmers producing other crops, livestock, and other farm commodities have been penalized because the law gave more under the old parity to wheat, cotton, peanuts, and corn. I am afraid the provision for dual parity might even destroy the usefulness of the parity concept for any price support calculations.

Second. Mandatory price supports for feed grain would be deleted. The difficulties of establishing needed base acreages and yields would make this provision practically impossible to apply in 1956. Also higher price supports for these crops would soon pile up new and large surpluses. The provision would increase Government relations farm by farm. And it would result in sharp differences in support levels for farmers across the fence from each other.

It would increase costs to dairy, poultry, and livestock farmers. It would help hold down prices on feeder cattle, lambs, and hogs. If continued, it would tend to dry up markets for the very farmers for whom help is intended.

Congress is not wise enough to arbitrarily step in between the farmers that produce feed grains and those farmers who buy feeds—and set a fair price—with all the many geographic locations and changing supply situations. Vastly more farmers buy feed than produce feed grains to sell.

Third. The multiple-price plans for wheat and rice would be stricken. This part of the bill was written for the special benefit of large wheat and rice growers. The wheat plan would discriminate against small farmers who produce less than 15 acres of wheat—and that means two-thirds of all wheatgrowers. It would discriminate against them by denying them a vote in the wheat referendum and by giving them a lower price.

Moreover, it would hurt other farmers by forcing down the price of all other grains.

This provision would also increase the price of bread by about 2 cents a loaf. The result would fall most heavily on our low-income families who are the major users of cereal foods and against whom we must not discriminate.

I am in favor of helping wheat and rice producers, but let us continue to do so out of general tax revenues until we are very sure there is a better plan.

These most unwise and unworkable provisions of the conference report before us are the result of shooting from the hip on farm legislation, of trying to write a bill on the floor, and of bypassing the normal process of hearings on fundamental provisions.

Mr. Speaker, the season is now well advanced. Winter wheat is stretching up. Cotton and spring grains are being seeded. Farmers in the Corn Belt will soon be planting corn.

This conference report comes to us at the 11th hour. The usefulness of the soil bank for 1956 has diminished with each passing day.

The President cannot be expected to sign an unsound total bill, just to get the soil bank.

A month or two ago when there was still opportunity for making it fully effective in 1956, the enactment of the soil bank would have meant a real lift for farmers. But the soil bank now looks more and more like a program for 1957 and less and less like a program for 1956.

The Department of Agriculture will do its utmost to put a program into operation. But time is fleeting. At this late date, if a soil bank is put into effect for 1956 spring crops it would become, in substantial part, a plow-up program. And this is hardly an auspicious beginning for a soil bank.

At this late date the signing of the conference report in its present form is less likely, and in the eyes of the public, its veto would be more an act of statesmanship. The press of the country strongly support the changes suggested by the President.

We must pass a constructive bill if we want the President to sign it. And we would be unworthy of our own responsibility if we pass a bill which we know is bad, and which should not—yes, cannot—be signed.

As I have offered my motion to recommend, it incorporates, I think, all that is acceptable to the administration from the conference report. And that part which the motion incorporates is the real heart of a constructive farm program, even though it would still lack the perfection to which the President has referred. On behalf of our farmers and all the people of the United States and in behalf of sound legislation, I urge a favorable vote on my motion.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. MARTIN] has expired.

Mr. MARTIN. I wonder if the gentleman could give me some more time.

Mr. COOLEY. I will have to take it away from someone else. I will yield the gentleman 2 additional minutes.

Mr. MARTIN. I do not have time to explain in detail my motion. I call attention to the fact that here we are today with 2 hours of debate and the leader in opposition to the conference report does not have time to adequately present his case. I protest against it.

I want to say in conclusion that I hope this conference report will be re-committed.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. No. I do not have the time.

Mr. ABERNETHY. I thought perhaps I could help. I wanted to yield you my time.

Mr. COOLEY. I told the gentleman I would have to take any time away from somebody in order to give him time. I

yield the gentleman 5 additional minutes.

Mr. MARTIN. I thank the gentleman from Mississippi [Mr. ABERNETHY] for his generosity. I know the fine spirit which prompts it.

In conclusion, I hope that when this House gets around to voting, it will re-commit this bill, will send it back to the conference committee where the conferees can once more look the bill over and make other worthy amendments which are very essential if we are to have the right type of bill for the building up of agriculture which must, of course, be the thought of all our people. This motion means that the conferees will bring back the bill without the 90 percent of parity and other features I have outlined in my motion. What is wrong with that? It would be a bill the whole country is looking for. The people of the East, the people of the West, the North and the South are all deeply involved in this bill because it means so much to them. Send it back to the committee and let that committee bring back a bill which the President of the United States can sign. This we would do if we had only the interest of the farmer at heart.

Without disclosing any confidences I am sure the President will not sign this bill. He has said that it does not meet the test of a fair bill, a bill that will help agriculture in the years ahead; a bill that will provide real security; with those views I have no doubt as to the action of the President.

As far as I personally am concerned, if this motion to re-commit does not prevail I shall feel constrained to vote against the conference report.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. Mr. Speaker, I shall be brief because I have no hope of stopping this nonpartisan stampede to kill the farmer with kindness. In this contest between the Republicans and the Democrats to see which party can make the highest bid for the farm vote, there is no serious consideration given on either side of the House to the fundamental problems of agricultural economics in a free-enterprise system.

The whole argument reflects just a confusion of schemes, each proposing to be the most expeditious way of robbing the taxpayer and putting operating capital into the hands of farmers, with which they will proceed to produce more surpluses. In voting billions to farmers, no one seems to understand that operating capital is just as important as acreage in the production of farm crops, and no one seems to believe that sound principles associated with the law of supply and demand can work in agriculture.

This concept of the present problem is probably due to the fact that the Federal Government has for much too long a time subsidized agricultural production and, thereby, created a distorted monstrosity in the form of Federal management which has almost completely divorced the agricultural economy from the free-enterprise system. Because of

this past action, the problem today is very difficult. A quick return to the system where price is determined by the relation of supply to demand and where production is limited by operating capital and profit, would be disastrous. It is equally true, however, that the return to this price and profit system is desirable and inevitable.

This Congress shows no inclination to make the return by gradual reduction of subsidy, so the return is likely to come suddenly some day right here on the floor of the House when the representatives of taxpayers and consumers generally wake up to the fallacy of subsidy and kill the whole farm program in one stroke of legislation.

An equally foolish idea held by this Congress is that 13½ percent of our population can be maintained in agricultural production. Only through complete socialization can they be maintained and that would freeze them all in economic bondage and deny to farmers the benefits of progress by better methods and techniques.

Despite the copious tears shed here on the floor of the House about the poor farmer, farmers are not the poor segment of our society. Their average wealth exceeds that of any other equally large class of our society and greatly exceeds the average wealth of the city worker. City Congressmen whose districts supply most of these billions of farm-subsidy money, and who represent consumers will some day wake up to realize that their support of big farm subsidies is definitely contrary to the interests of their own districts. If you do not believe it, look up the records and see who gets the \$3 billion annually which this proposed program will cost. Then, you will understand the motivation of the corn, wheat, cotton, tobacco, peanut, and rice Congressmen.

Consumers finally pay all of the costs of taxation. And do not let anybody fool you into believing that there is anything about this farm subsidy program which makes for lower consumer prices.

Now I want to assure you that I hold no ill will toward the farmer. I grew up in the wheat country where I still have plenty of relatives, and I, myself, have been a Pennsylvania farmer for the last 35 years. I have made a lot of money in farming and have lately lost a lot. Farming, by nature, is a risk business and should stay that way.

If I thought subsidy would, in the long run, do farmers any good, I would not be so opposed to the program. But I do not want guaranteed status quo with socialistic bondage for farmers. Farmers, generally, do not want that. Yes; many of them are glad to take any money handed to them by the Federal Government, but at the same time they sincerely believe that the subsidy system is wrong and that it is not the proper function of the Federal Government to guarantee prices.

I am convinced of this thinking on the part of the farmers, and I am, as a consequence, convinced that the political importance of this problem, to either the Republicans or the Democrats, is largely in the minds of Congressmen who are

running scared. Not many people behind the curtain of a voting booth are going to be diverted by bribery from voting their conscience.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Speaker, I have requested this time to ask a question or two of the chairman of the Committee on Agriculture. If this bill passes there will be some interest in my section of the country, although of a very minor impact, I am sure, with reference to the conservation reserve feature of the soil bank provisions.

On page 7 of the conference report section (2) states:

To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

In an explanation of the bill prepared by the staff, entitled "Differences Between the Conference Substitute, the Senate Amendment and H. R. 12 as Passed by the House," I would like to read and get the gentlemen's comment on paragraph No. 13, page 2, reading as follows:

The substitute makes it clear that a producer putting in the conservation reserve lands devoted to such soil conserving crops as tame hay, alfalfa, and clovers would not be required to increase his acreage of soil conserving crops on the balance of his land, or to reduce the acreage devoted to other crops on the balance of his land. Thus, a producer putting 10 acres of tame hay land in the conservation reserve could continue to use the balance of his land in exactly the same manner as he had previously done, if he so desired.

Now, is it the understanding of the chairman, as one of the managers on the part of the House, that this explanation of this provision of the bill itself is in line with the general agreement in conference?

Mr. COOLEY. I think the gentleman is entirely correct; yes.

Mr. McINTIRE. I think it is important, Mr. Speaker, that this be contained in the legislative record of this bill.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. CRETELLA].

Mr. CRETELLA. Mr. Speaker, I am happy to follow my colleague the distinguished gentlemen from Pennsylvania [Mr. KING], because he talked of the impact of this report on the consumer, and that is who I am going to talk about.

The conference report on H. R. 12 although not admitted contains provisions which result in direct food taxes on consumers.

Under title V, the domestic parity plan for wheat would increase consumers' grocery bills by almost a million dollars a day. Next year's food bills would be higher by about \$340 million.

This plan is really a consumer tax, which would boost the price of bread about 2 cents a loaf. Higher prices would not be on bread alone, but would hit all food products containing wheat.

Low-income consumers are more dependent on bread and other cereal foods than are the rest of our people. Thus, this provision of the bill before us would fall most heavily on families against whom we must and should not discriminate.

Similarly, the 2-price plan for rice would increase the retail price for this food by 2 cents or more per pound. Consumers would pay about \$25 million more per year. And this, too, would most seriously burden our low-income families.

The people unquestionably bear the costs of any price-support program. However, the programs now in effect are financed from the general tax revenue of the Government, and thus do not discriminate especially against the people least able to bear the cost.

The special feed-grain provisions with the sharply reduced acreages required, about 20 percent below the 1955 level—not 15 percent as some people think—accompanied by high price supports is just bad business for the whole Northeast. The effects of this section of the bill will be felt in higher feed costs to the livestock producer. This will mean higher prices to the consumer.

Not only will the consumer have to pay higher prices for the livestock products but he will be levied upon as a taxpayer to pay for the loss to the Commodity Credit Corporation. In addition, it will not be long before the law requires import controls on feed grains from Canada. This will hurt our relations with our friends to the north.

This is triple jeopardy for us in the Northeast.

(Mr. CRETELLA asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. BELCHER].

Mr. BELCHER. Mr. Speaker, I find myself today in a very peculiar situation. In the 5 years that I have been a Member of this House, this is the first time that I have taken the floor against the leadership on my side of the House. In addition to that, this is the first time that I have been able to agree with some of my colleagues on the Committee on Agriculture. But, I think it is about time that we quit fighting and got on with the business of passing some kind of an agricultural bill.

Now, the soil bank proposal was advanced in January of this year. It will cost considerable money. We were told by Mr. Benson and Mr. Eisenhower, for whom I have the greatest respect, that it was a good program. I was asked to support it. As a member of the Committee on Agriculture I have supported it. I think it is a good program; at least, I think it will be a good program. If the soil bank program had been adopted in January of this year, it would have cost this year more money than 90 percent parity will cost the taxpayer. The passage of the soil bank program at this time, as far as I am personally concerned and as far as the farmers of my district are concerned, will give no benefit whatsoever during this year's crop,

because it will not go into operation in time.

The proposal of the great minority leader to eliminate the two-price system for wheat, for which I have fought since 1932; the reduction of the parity price from 90 percent to 82½ percent, will eliminate every single benefit to my district as far as this year is concerned, even though the soil bank program and the acreage conservation program should turn out to be a success. If that program turns out to be a success, we will not need 90 percent of parity after this year because the soil bank program will make the cash price of commodities go above 90 percent. And that is the objective of every Member of Congress; that the time shall arrive when every farmer can sell his product in the market place at 100 percent of parity without the intervention of the Government in any respect.

The gentleman from Kansas [Mr. HOPE] is going to explain the two-price system. In the limited time allotted me I cannot undertake to do it but it is the only farm program that will not cost the taxpayer any money. I think it will work; I think it will be a good program.

Our great minority leader has said that the President of the United States will veto this bill if it is approved by the Congress in its present form. I have the highest love and respect not only for the President of the United States, but for the leader of my party. He represents all of the people of the United States. I represent 600,000 of those people. My conscience should tell me what to do. The President's conscience should tell him what to do. He represents a segment of society. I represent a segment of society. If I follow the leadership of the President to the detriment of my 600,000 people, my 600,000 people will be disfranchised as far as having a spokesman is concerned.

With that idea in mind, if the President's conscience tells him to veto this bill, I am not going to criticize him for doing that because it is his duty and responsibility, to follow the dictates of his conscience. I know President Eisenhower well enough to know that he would not ask me, as a Member of Congress, merely to accept his wishes, to the detriment of the people whom I represent here in the Congress. He is too big a man for that.

As long as I am a Member of this Congress I intend to look out for the best interests of the people of my district and the people of the United States. As a member of the Committee on Agriculture I have a duty and responsibility to the agricultural interests of the entire United States. As the Representative of the First Oklahoma District I have a duty to the farming interests of my district. Today I am discharging that duty.

For the first time, as I say, I am taking the floor in opposition to a motion that I know is going to be made by the minority leader, a man whom I admire and respect and love and whose leadership I have followed. I do that because my conscience tells me to do this and for no other reason. I do that with a heavy heart. I think his motion to recommit is

a mistake. I think we should approve this conference report and send the bill down to the President.

That is the way I intend to vote.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. I thought the gentleman was going to yield me 10 minutes.

Mr. COOLEY. I am sorry, but every minute of the time has been allotted. I regret it more than I can say. More than 1 hour has been allotted on the gentleman's side of the aisle.

Mr. HALLECK. I appreciate the gentleman's attitude, but I had arranged to yield some time to the gentleman from Wisconsin from my time, on the assumption I had 10 minutes.

Mr. COOLEY. I am very sorry it happened that way. I have 5 minutes I am going to yield to the gentleman from Illinois [Mr. ARENDS]. Maybe he can yield some time to the gentleman from Indiana.

Mr. H. CARL ANDERSEN. If the gentleman will yield, I understand I am to be yielded 2 minutes. I should like to accord the gentleman my time if he will give me the opportunity.

The SPEAKER. The time is under the control of the gentleman from North Carolina.

Mr. COOLEY. In view of what the gentleman from Minnesota has said, I will yield the gentleman from Indiana 2 additional minutes.

Mr. H. CARL ANDERSEN. I have a preface. I feel positive the motion to recommit will not prevail, consequently I am glad to yield to my majority leader.

Mr. COOLEY. I yield the gentleman from Indiana 2 additional minutes, then.

Mr. HALLECK. I thank you very much.

I am equally sure the other way, may I say to my friend from Minnesota, and I think for good reason.

As the gentleman from Massachusetts pointed out, we all recognize that the farming economy is the one soft spot in the whole national economy, and we all want to do something about it. As fair-minded people we should do something about it. I am just a little afraid that as we have moved to do something, there has been too much shadowboxing and not enough attention paid to the really important factors that are involved.

There are several features in this bill, as was pointed out by the gentleman from North Carolina [Mr. COOLEY], which should be brought to quick passage in the interest of the farmers of this country, not only in their interest but in the interest of all the people of the country.

Also, the gentleman from North Carolina knows that while he has responded with his committee to many of the things that the President asked—and may I say that the President's program and his proposals submitted more than 3 months ago meet with the approval not only of the farmers but the great majority of all of our people—he has in this bill many provisions that I am sure he knows himself are not right, which he knows are opposed by the President, and which, I say on my responsibility, if they go down to the White House, should

bring a veto of this measure, a veto which will be sustained.

That leads me to suggest that perhaps there has been too much maneuvering for a veto and not enough real action to get a bill that will be acceptable and really helpful to the farmers.

In respect to this motion to recommit, let me say this to many of my friends on the righthand side of the aisle. When that roll is called, a lot of people will be looking to see just how you voted on some of these proposals.

The good things that are staying in the bill have already been recounted. Now what is in this motion to recommit? The first is that it holds the 82.5 percent that we fixed the past year, so we are flexible between 82.5 and 90. But certainly the 90 percent high rigid support price was calculated to be an incentive to increased production in wartime, not increased production in peacetime. I do not care how you argue it, the war is over. We are in peacetime. If you go on and on with the high rigid 90 percent formula, you will continue to pile up surpluses that will continue to plague us and continue to depress prices. I say it is time to get away from that, for the farmer's own good.

Secondly, the motion to recommit would take out the provisions for dual parity. You had arranged in the law for the application of modernized parity and, I think, there was general agreement at that time. The time has arrived to make parity more realistic, and yet here even though you know that it is completely obnoxious to the President of the United States, you insist on putting in dual parity which, I say, should not be in the bill and it ought to go out.

Now you will be doing another thing. You bring feed grains in to increase their support price from 70 percent to 85 percent. I know where most of those feed grains are grown, and maybe some of the Members who want that increase in supports think it is going to be good for the people who produce the feed grains. I seriously doubt that. But, let me say to you, you are going to make it more difficult for the corn farmers in the Middle West who are already under pressure. If you think for a minute that the people out there are not going to take a look at how you vote on this motion to recommit, you have another guess coming. The action which you are seeking to take will pile up feed grains in surplus supply and further depress the price to the farmers.

In addition to that, you put in the bill the 2-price arrangement or the 3-price formula, or whatever it is, for wheat and for rice. There again some people say it is going to be good for the wheat farmers. But, in all likelihood the minimum you will do to the corn farmers in the Middle West with that arrangement is to provide for the dumping of up to 300 million bushels of wheat on an already depressed farm market where corn is in surplus supply.

I hope the provisions of the motion to recommit will be adopted to clean up this bill and to keep the good that is in the bill and to take out the bad—but if this bill goes down to the White House in its present form and is vetoed and the

veto is sustained, then those of you who are for this arrangement will go back and explain to your wheat farmers this proposition:

Under existing law, the support price on wheat will be \$1.73 a bushel and under the 82½-percent proposal, as provided for in the motion to recommit, it would be \$1.97 a bushel. In my book, that is a pretty good support price for wheat.

I trust without regard to partisanship that you will support this motion to recommit because it is good for the farmers and good for the consumers of the entire Nation. So far as I am concerned, there is so much bad in the bill that if we do not do something about it by the motion to recommit, I am going to vote against the conference report and I will vote to sustain the veto of the President.

Mr. Speaker, now I yield to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Speaker, I come from a congressional district which produces more milk and cheese than any congressional district represented here today. I have enjoyed my work on the House Agriculture Committee and I agree with the chairman of the committee, the gentleman from North Carolina [Mr. COOLEY] that as members of the Committee on Agriculture, we should look at farm legislation on a nonpartisan basis. One must also look at agricultural legislation on the basis of what is best for his congressional district.

This conference report discriminates against the family-type dairy farm. The so-called basic commodities are given increases in support level of from 15 to 20 percent. The support for the so-called feed crops are increased by 17 percent. The support level for manufactured dairy products is increased by only 2.5 percent.

In addition to this, the conference report completely eliminates the Senate penalty provisions for violation of soil-bank contracts. Millions of acres will be placed in the soil bank and farmers in the areas producing basic commodities will plant this land in grasses and legumes. In order for the Wisconsin dairy farmer to be adequately protected against the diversion of this land to milk production, adequate penalty provisions were necessary to keep this land from being used for livestock and grazing. Under the conference report a producer of the so-called basic commodities can still continue to receive his price supports even though he grazes the land he has placed in the acreage reserve of the soil bank.

Milk production will be greatly increased in areas of this country outside of our historic dairyland by this conference committee action.

In addition to the objectionable features which I have already outlined as far as the dairy farmer is concerned, the conference report continues the present method of calculating the parity equivalent for manufactured milk.

The computation of the parity price at which manufactured milk is supported must be changed so that dairy farmers are assured of stability in prices. As example, \$3.15 per hundredweight for manufactured milk at the beginning of 1954 was about 75 percent of parity, but

now that price is approximately 83 percent of parity.

The parity equivalent for manufactured milk as now computed does not reflect a fair ratio of milk prices to farm costs. The parity equivalent for manufactured milk is based on the relationship of the price of manufactured milk to the price of all milk sold at wholesale which includes the price of class I fluid milk. During the base period of 1910-14 there was no such thing as what we know today as class I milk.

Milk used for fluid purposes in the 1910-14 period was probably inferior to present-day manufacturing milk in both quality and in the production standards or facilities required for its handling. Grade A milk as accepted in most fluid markets is a new commodity that has entered the market since 1914. The kind of milk that was produced in 1910-14 and was then sold for fluid purposes is now used almost entirely for manufacturing, a market that is also invaded by Grade A producers as a dumping ground for their surplus produced in excess of fluid needs.

In many instances, prices of fluid milk are established by Federal orders in a way that insures producers equitable incomes. At the same time, manufacturing milk prices are currently and under this conference report supported according to a "parity equivalent for manufacturing milk" that continuously declines in direct relation to rising fluid prices.

Under this conference report parity equivalent for manufacturing milk will continue to be calculated as follows:

First. The parity price of all milk sold at wholesale is computed.

Second. The relation is established between (a) the average price received by farmers for all milk sold at wholesale, and (b) the average f. o. b. plant price for milk sold for use in American cheese, evaporated milk, and butter and milk byproducts. This relation is established for the period from July 1946 through the most recent December, but when such a period exceeds 10 years for only the 10 most recent calendar years.

When fluid milk producers improve their price in relation to manufacturing milk prices, so that the margin is widened between the price of manufactured milk and the price of all milk sold at wholesale, they reduce automatically the parity equivalent for manufacturing milk the next time such parity equivalent is computed by the USDA.

This reduction is most easily illustrated by an example in which the figures are chosen for simplicity rather than by current prices and volume. In the example we will assume that 100 pounds of milk is sold, with 50 pounds going into fluid use at \$4 per hundredweight and 50 pounds is sold for manufacturing at \$3 per hundredweight, and 100 percent of parity is \$3.50 per hundredweight for all milk sold at wholesale. In such circumstances the parity equivalent for manufacturing milk would be \$3/\$3.50 or 85 percent of parity for all milk sold at wholesale, and 100 percent of parity equivalent for manufacturing milk would be \$3 per hundredweight.

Now we will assume that the fluid-milk price for the period is increased to \$4.50. Such an increase would bring the average price of all milk sold at wholesale up to \$3.75 if there is no change in utilization. If parity for all milk remains unchanged at \$3.50 per hundredweight, the parity equivalent for manufacturing milk would be lowered as follows:

First. The ratio of manufactured milk to all milk would be \$3/\$3.75 or 80 percent.

Second. Parity equivalent for manufacturing milk would be reduced from 85.7 to 80 percent of the parity for all milk sold at wholesale.

Third. Parity equivalent for manufacturing milk would be 80 percent of \$3.50, or only \$2.80 instead of the \$3 that existed before the increase in fluid milk prices.

In actual practice the parity equivalent for manufacturing milk was 88.5 percent of the parity price for all milk wholesale when first computed. It was later reduced to 84.1 percent, then 83.7 percent, and on January 31, 1956, it was further reduced to only 83.3 percent. The parity equivalent of 88 percent is based on the period of the first 30 months following July 1946. The parity equivalent of 83.3 percent is based on the period of July 1946 through December 1955. This reduction has occurred because a different commodity, fluid milk, has been developed since the 1910-14 base period and has been classed in the same category with the ungraded milk of the earlier period, but which because it was a new and different product has been given a higher premium price in the market.

There is no reason for permitting a continuous decline in the level of the parity equivalent for manufacturing milk.

The Senate bill fixed the parity equivalent at the 88 percent of parity price as originally calculated. The conference report calls this method a complicated formula and rejects the Senate amendment which permanently establishes the parity equivalent at 88 percent. By so doing this conference report approves for future marketing years the continuing drop in the parity equivalent and also a much more complicated formula. This will result in a lower minimum dollars and cents support level on manufactured milk. For next year under the conference report the 80 percent of parity will be \$3.08 on manufactured milk using the parity equivalent of 83.3 percent. However, in view of the fact that class I priced milk will receive increases during the next few months the parity equivalent will further drop and I predict that by December 31, 1956, the parity equivalent will be 82.7 percent.

The amendment offered by the gentleman from Massachusetts [Mr. MARTIN] is of utmost importance to a congressional district such as mine which produces its milk almost solely to be manufactured into dairy products. We need to fix the parity equivalent for manufactured milk in line with what parity should represent. This amendment should be supported by every Congressman from a dairy district. The parity equivalent must be established at the

88-percent figure and the only method we can use to insure this action is to reject the conference report and to adopt this important amendment. If this amendment is not adopted, I certainly cannot support the conference report. I cannot sit here today and cast my vote in opposition to this important provision. A vote for the conference report without the Martin amendment is a vote to reduce the minimum support level to at least \$3.08 in the next marketing year and undoubtedly with the new parity equivalent calculation which will be made on December 31, a still further reduction in the minimum support level is in the making for the next marketing year.

If the Martin amendment is adopted the parity equivalent for manufactured milk will be pegged at 88 percent of parity on all milk sold at wholesale. The 80 to 90 percent support range for the next marketing year would be from \$3.26 to \$3.66 per hundredweight. Under the conference report the 80 to 90 percent support range would be from \$3.08 to \$3.47 per hundredweight based on the present 83.3 percentage parity equivalent. With the increases, however, which are currently in the making for class I milk this dollars-and-cents range will be even lower on December 31, 1956.

The position taken by the majority party in supporting this conference report today is indeed detrimental to the best interests of the Wisconsin dairy farmer. The majority party position regarding the milk producer is directly opposite to the statements made by Democrat politicians campaigning in our State. Action speaks louder than words. If this conference report is approved without the Martin amendment, it will clearly show that the majority party continues to lack a sympathetic understanding of the problems of the Wisconsin dairy farmer. Farmers in the Seventh Congressional District of Wisconsin receive less than 2 percent of their total cash income from agricultural commodities which have been given preferential treatment by this conference report.

I am unwilling to sell the Wisconsin family type dairy farm down the river for political expediency. The dairy farmer deserves more consideration than has been shown to him in this conference report. The dairy farmer is the forgotten man in this conference report.

I am most interested in having a farm bill in this year 1956. The President has indicated that he will sign a farm bill if it includes the provisions as outlined in the Martin amendment. If the provisions of the Martin amendment are not included, it will be vetoed. I therefore urge my colleagues, particularly from dairy districts, to vote "Aye" on the Martin motion. If this motion does not prevail, certainly we will have no other recourse but to vote against this conference report.

(Mr. LAIRD asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, like the gentleman from Oklahoma [Mr. BELCHER], I regret to find myself in opposition to the position of the leadership of my party. I cannot say exactly the same thing he said, that this is the first time, because there have been other times, but I would say there are very few people on the Republican side of this House who have a better record for supporting the program of President Eisenhower than have I.

Of course we all have our responsibilities. The President has his. I would not feel I was doing my full responsibility to my constituents and to the country as a whole at this time if I did not do what I think is the thing that must be done if we are going to keep agriculture in this country on an even keel.

I want to begin my statement by reading a paragraph from a Department of Agriculture publication for March 1956 entitled "The Farm Income Situation."

It reads as follows:

The farmers' realized net income in 1955 is now estimated at \$10,800,000,000; down a billion dollars or 9 percent from 1954 on the basis of more complete information on farm marketings and farm production costs last year.

Now that is what has happened in 1955 as compared with 1954. 1954 was less than 1953. 1953 was less than 1952. I do not know how long this situation can continue and agriculture remain solvent in this country. But I am not going to dwell further on that question because my time is limited.

It is not the farmer alone who is being affected. In every small community, in every county seat town in the United States, businessmen at this time are beginning to feel the pinch that is coming because of low farm prices and high farm costs.

I hold in my hand a little article that I have taken from this morning's Wall Street Journal, and I want to read a paragraph or two from that. It says:

FARM EQUIPMENT MAKERS PLAN NEW CUTBACKS IN OUTPUT AS SPRING SALES SHOW NO PICKUP—MASSEY-HARRIS ASKS WAGE CUT—HARVESTER TO SLASH PRODUCTION APRIL 30

Spring breezes are blowing cold for farm equipment and tractor producers. Advent of the farm planting season has brought no pickup in lethargic sales of this industry.

So companies are tightening belts still further after earlier production adjustments and layoffs.

Massey-Harris-Ferguson, Inc., yesterday told its nearly 800 workers at its Batavia, N. Y., plant to accept a pay cut to keep the unit operating. International Harvester Co. reports it has scheduled tractor and other farm implement production cutbacks for April 30. Allis-Chalmers Manufacturing Co., Milwaukee, reports a 20-percent cut in its tractor production in March, with 100 employees shifted to other departments.

Other farm equipment makers report slow sales and production cuts which are coming on top of earlier slowdowns.

The article goes on and recites how other farm implement companies are cutting back. So you see this is not something that is confined to farmers or to farming communities. It is something that is affecting the very economy of the country itself.

I do not know of anything we can do to help farmers increase their income this year except to depend upon some of the provisions of this bill. I am speaking particularly of dual parity and of the 90 percent of parity provision on basic commodities.

I am for the soil bank. I think it is a splendid idea. I think it will work out, but it will not function to any extent this year. We cannot count on any help from the soil bank except in very restricted areas. So the only way that Congress can do anything this year to stop this constant drop, drop, drop in farm income is to vote down the motion to recommit and adopt this conference report.

I have no information as to what the President will do when this bill is placed upon his desk. But I am sure that he will give consideration to every aspect of the matter and will take into account all of the facts which the conferees and the Congress had before them when the bill was passed.

I want to devote the remainder of my time, if I may, to a discussion of the domestic parity provision, which is one of the items included in this motion to recommit. I think many of you are familiar with it.

This plan is also known by other names, such as the certificate plan and the two-price system. The term "two-price system," however, is a misnomer as applied to the domestic parity plan, because under this plan all wheat would be sold on the market at one price, that is, the going market price. The principles of this plan are in successful operation in the field of dairy products under marketing agreements, and have been discussed in connection with other commodities.

Briefly, the plan and its operation may be described as follows:

First, all wheat would be sold without marketing quotas or restrictions of any kind.

Second, at the beginning of each marketing year the Secretary of Agriculture would make an estimate of the average going market price for that year. He would also announce the parity price of wheat for the year.

Third, the Secretary would estimate the probable amount of wheat which would go into domestic consumption for human food during the marketing year. This amount, which for many years has been approximately 500 million bushels, would then be allotted among the wheat farms of the Nation on substantially the same basis as acreage allotments are made now, except that in this case the acreage would be translated into bushels and the allotment to each farm would be in bushels. Each wheat farmer would receive a certificate stating the number of bushels constituting his share of the estimated domestic consumption of wheat for food.

This certificate would have a value in dollars and cents of the number of bushels which it represented multiplied by the difference between the going market price of wheat as estimated by the Secretary and full parity.

Let us assume for the sake of illustration that the number of bushels repre-

sented by this certificate is 1,000 and that the difference between the estimated price of wheat and full parity is 75 cents per bushel. In that event the certificate would have a value of \$750.

WHERE WOULD THE MONEY COME FROM?

The next question is how would the farmer realize cash on this certificate and from whence would the money come? The answer to that question is that each miller or other processor of wheat will have to purchase certificates covering the total amount of wheat which he processes for domestic consumption as human food.

It will not be necessary for farmers to deal directly with millers because under the pending legislation the Secretary of Agriculture is authorized through the Commodity Credit Corporation to buy and sell marketing certificates. Thus the Commodity Credit Corporation would act as a clearinghouse. Farmers would turn their certificates in to the Commodity Credit Corporation through the county agricultural stabilization committee and millers in turn would buy certificates from the Commodity Credit Corporation.

The program in general would be administered by the county agricultural stabilization committees which administer other agricultural programs. The benefits which may be anticipated from this legislation are numerous and may be summarized as follows:

First. Returns to the farmer will be somewhat greater than under the present program and there is a good prospect that expanded outlets will further increase these returns in the future.

Second. Marketing quotas and penalties will be eliminated and acreage controls greatly minimized and possibly entirely eliminated in the course of time.

Third. Relief to taxpayers will be afforded through an immediate substantial reduction and eventual elimination of practically all the costs of the present program under which export subsidies and storage costs amount in the aggregate to over \$400 million per year.

Fourth. To a large extent it will take the Government out of the warehousing and merchandising of wheat and in the end probably do away with such activities altogether.

Fifth. Wheat would be produced for market instead of for sale to the Government and would be sold on the basis of quality thus encouraging good farming and the production of superior varieties.

Sixth. Producers of livestock and poultry wherever situated would be able to produce wheat for feed or buy wheat at feed prices.

Seventh. There would be some expansion of wheat exports through the elimination of redtape, delays and other obstacles existing at present.

Eighth. It would result in moving wheat into its natural outlets and market channels.

Ninth. It will fit in perfectly with the soil bank proposals recently submitted by the President.

Tenth. It will return to the farmer greater freedom and control over the operation of his own farm.

The only real objection that I have heard made to this program, the only one that is substantial, is one that has been made by the producers of feed grains who have felt that perhaps it might result in increasing the supply of feed grains. In reply to that let me call attention to the fact that most of the acres we have taken out of wheat under the present program have gone into the production of feed grains. And let me call your attention to these figures very briefly. Compared with the 10-year average 1944 to 1953, we reduced wheat production by 216 million bushels in 1955. Bear that figure in mind.

But for the same period we increased feed grain production exclusive of corn and soy beans by 482 million bushels—more than twice as many bushels of feed grain were produced on those acres than went out of production of wheat. In other words, if wheat had been grown on that land and every bushel had been fed to livestock we would have fed less than half as many bushels of grain as we actually produced by transferring from wheat to other feed grains.

So if those in the Corn Belt who have a sincere belief that this may interfere with feed grain prices will only consider what has happened and is happening at this time they can see that there is no danger of increasing feed grains supplies; rather, the reverse.

But I want also to call attention to the fact that there is in the bill itself a provision which provides that the Secretary of Agriculture may establish acreage allotments on wheat. So he has it in his power to prevent such an expansion of production of wheat as will result in an increase of the total feed grain supply.

Furthermore, the Secretary has the authority to put a low loan upon wheat, and one ingredient of that is the price of corn, so that he has the authority to prevent wheat from coming into unfair competition with corn as a feed grain. There will be less feed grains produced if this proposal is adopted than have been otherwise. Furthermore, this provision does not go into effect automatically; two-thirds of the wheatgrowers voting in a referendum must vote to put it into effect.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BELCHER. The statement was made a while ago by the gentleman from Connecticut that this would raise the price of food to the people of the United States. It can never raise the price of food beyond 100 percent of parity, and 100 percent of parity merely constitutes a fair price. Nothing in this bill, therefore, would ever raise the price of wheat or the price of bread beyond a fair price to the farmer. That being true, we pass tariff laws on everything else for the very purpose of guaranteeing a fair price, so I do not believe that the people of the United States expect to get their food below a fair price.

Mr. HOPE. Let me say to the gentleman, and I am glad he brought that matter up, that in the 7-year period from 1948 to 1955 wheat prices in this country

went down 31 percent while the price of bread went up 28 percent. There is no correlation between the wheat price and the price of a loaf of bread.

Let me call attention also to the fact that in 1914 the average hourly wage of a factory worker would buy 3½ pound loaves of bread, in 1929 it would buy 6.1 loaves of bread and this year the average hourly earnings of the industrial employee will buy 11 loaves of bread.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Iowa.

Mr. JENSEN. Of course, the gentleman knows there has been some concern about wheat going into feed grain. Will the 90 percent provision for corn, along with the other lending provisions in the conference report for oats, barley and sorghums, offset possibly any detriment that your feed wheat might create in the feed market as against corn?

Mr. HOPE. I think it will to a very large extent.

Mr. JENSEN. Does the gentleman feel that the corn farmer is adequately protected in the conference report and in the conference bill? Of course, the corn farmer of Iowa, most of them, also raise wheat, oats, barley, and sorghums. Is it not a fact that the provisions of the conference report will greatly benefit the oats, the barley, and the sorghum farmers?

Mr. HOPE. They will. They will not only increase the price support level but they will bring about a reduction which we must have in all our feed grains if we are going to strike a balance.

Mr. JENSEN. I thank the gentleman.

Mr. Speaker, I urge that the House vote down the motion to recommit and adopt the conference report.

Mr. COOLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Utah [Mr. DIXON].

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Indiana.

Mr. BEAMER. I wanted to ask the preceding speaker why I have a handful of telegrams from bakers who are alarmed about the two-price wheat system because they say it is going to raise the price of bread.

Mr. DIXON. Mr. Speaker, I ask unanimous consent to include in my speech a statement by the Secretary last February made before the Committee on Agriculture, showing that the basic commodities yielded a net loss, did at that time, of \$5,077,000,000 and that the losses in 1954 were three times the losses in 1953.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Secretary of Agriculture, Ezra Taft Benson, testified before the Committee on Agriculture, House of Representatives, February 17, 1955, as follows:

The aggregate realized cost of these programs for the period from 1932 through 1954 was \$8,469.2 million, of which \$962.5 million represents costs realized in the fiscal year

ending June 30, 1954. The costs in 1954 were almost 3 times those realized during the fiscal year 1953.

Of the \$8,469.2 million realized costs of these programs, \$5,077.1 million is attributable to the basic commodities, as follows:

	Millions
Corn.....	\$1,228.2
Cotton.....	1,581.4
Peanuts.....	163.0
Rice.....	35.3
Tobacco.....	97.0
Wheat.....	1,972.2
Total.....	5,077.1

This is a far cry from the \$500 million figure just quoted as losses on the price support program. If we add to the \$8,469,200,000 losses just quoted \$4,238,900,000 representing a Government procurement of agricultural commodities for foreign aid programs, we arrive at the total of \$12,708,100,000, which is very near the \$13 billion which I quoted.

Mr. Speaker, I rise to speak in favor of the motion made by the gentleman from Massachusetts [Mr. MARTIN] to recommit with instructions to the House conferees the conference report on H. R. 12. My reasons are as follows:

First. The report repeats and augments the fatal mistakes of the program in effect until 1954, which accounts for our present agricultural distress.

Second. It not only repeats but increases the incentive to further production and as a result means continued over-production and continued declines in farm income as excess production piles up in Government warehouses.

Third. It invites and hastens the tragic day of reckoning by offering a renewed and even stronger effort to completely repeal the law of supply and demand and thereby sacrifice the welfare of all of our farmers for temporary expediency.

Fourth. It renders almost inoperative the soil bank, which is the major if not the only provision in the report designed to go to the heart of all farmers' problems. In other words, the provisions of the report attempt to go in two opposite directions at the same time.

Fifth. It discriminates further in favor of the basic commodities which produce only 25 to 26 percent of the Nation's agricultural income, while at the same time the producers of many of the other agricultural commodities are far worse off than the producers of the basics. There is only one exception here, and that is the dairy industry. It, in my opinion, justifies the recommendation provided in the report because surpluses of butter and dry milk have been consumed and supply and demand appear to be in balance, at least at the present time, and possibly will continue to be so if the soil bank becomes operative and the supply of feed grains is materially reduced.

Let us consider first my last proposition; namely, that the report discriminates further in favor of the basic commodities, and that this discrimination plus the competitive effects of diverted acres from the basic commodities threaten with ruin the producers of many of the other agricultural commodities.

Now, the so-called basics which are accorded this preferential treatment are really not the basics because:

First. They do not provide farmers with the bulk of their income.

Second. They are no more fundamental, and probably not as fundamental to the maintenance of good diets and health as the nonbasics.

Third. They are not the agricultural commodities for which the consuming public is expressing the greatest demand at the meat counter, the local dairy, or the fruit and vegetable market.

As proof of my charge of rank favoritism shown the basic commodities, I call your attention to the contrasts between the percentage of parity received by the basic commodities and the average received by other commodities, as reported by the USDA under date of March 15, 1956, as follows:

First. Upland cotton receives 90 percent of parity.

Second. Wheat 82 percent of parity.

Third. Rice 82 percent of parity.

Fourth. Peanuts 90 percent of parity.

Now, compare these with the parity prices producers receive for the nonbasics:

First. Beef cattle and calves, which alone provide farmers with considerably more income than all of the basics, combined average 68 percent of parity for beef and 71 percent of parity for calves.

Second. Chickens are at 77 percent of parity;

Third. Hogs are at 53 percent of parity;

Fourth. Lambs are at 77 percent of parity;

Fifth. Sheep are at 64 percent of parity.

Mr. Speaker, section 104 of the report also eliminates the new parity formula for determining the price support level on basic commodities. It would permit the use of either old or new parity whichever would give the highest level.

This action once again means added preferential treatment for the producers of basic commodities, commodities which provide farmers with only 25 or 26 percent of total net income. Yet, we produce over 130 different agricultural commodities in this country. For example, based on January 15, 1956 figures:

First. Wheat would be supported at 103 percent of the existing new parity.

Second. Corn would be supported at 100 percent of new parity.

Third. Cotton would be supported at 91 percent of new parity.

In the second place, the report not only increases the favoritism already shown the basic commodities, but worst of all the recommendation of 90 percent of parity upon the basics will render ineffective the only part of this bill which offers any prospect of help to livestock producers. This is the soil bank, in particular the acreage reserve program.

It is extremely doubtful that producers of wheat, cotton, and corn can be induced to put acreage allotment land in the acreage reserve when they can get price support on the quantity they produce at 90 percent of parity but only, as the conference report points out, "approximately 50 percent of the price support for that quantity of the commodity which would normally be produced on the land placed in the acreage reserve"—

page 37. Let me explain by pointing out the choice of alternative which Utah wheat producers would face.

Even if the dual parity feature of this conference report does not remain in the bill, the support level on wheat at old parity would be \$2.14 per bushel. With an average yield of 16 bushels per acre a farmer could receive \$34.24 per acre. If it cost him 80 cents per bushel to raise that 16 bushels, his total cost per acre would be \$12.80. So his net return for his wheat on this acre would be \$21.54.

Now, if his rate of payment for placing an acre of wheat allotment land in the acreage reserve were one-half that of the support level—\$1.07 per bushel, and his average yield were 16 bushels, his payment for placing an acre in the reserve would be \$17.12. This would be \$5.42 less for putting an acre of land in the acreage reserve than he could get under price support at 90 percent of parity. Now it is true that even if the farmer placed an acre of land in the acreage reserve certain fixed costs would still have to be met. I have not shown that calculation here, since I do not know what portion of that 80 cents per bushel cost figure represents fixed costs. But as long as this factor is held constant, which is the case, in my example comparing the incentives a farmer has to put an acre of land in the reserve at 76 percent of parity with that at 90 percent of parity the comparison is valid.

With price support 76 percent of parity or \$1.81 per bushel, as it will be for 1956, and assuming an average yield of 16 bushels to the acre, a farmer could get \$28.96 per acre. His cost per acre at 80 cents per bushel would be \$12.80 and his net return would be \$16.16. On the other hand, if he were given an incentive of one-half the support level to put the same acre in the acreage reserve he would receive \$14.48. So that although it would appear at first glance to pay a farmer to put his wheat under price support, and his per-acre return would be \$1.68 more, it might not in fact actually pay him to do so, when it is realized that he still would have some fixed costs even on land placed in the acreage reserve.

Thus, it is evident because the difference between total costs per acre and total returns per acre is narrower at lower support levels than at higher levels—90 percent for example, that farmers will not put land in the reserve at higher levels when they will be more inclined to do so at lower levels. I do believe that the incentive level, however, will need to be at least 60 and maybe even 65 percent of the support level in order to induce enough participation to get 12 to 15 million acres of wheat out of production. Furthermore, I would recommend that the Secretary raise this incentive to 60 or 65 percent.

Part of my opposition to both the 90 percent rigid support level and dual parity is that they will operate to prevent participation in the acreage reserve—the only hope we have of balancing supply with the demand for basic products and of getting production of diverted acres out of feed grains.

Furthermore, the committee's statement on page 35 is tantamount to an

admission that 13 years of mandatory, rigid, price supports have created "a crisis in farm income that may become a catastrophe unless strong action is taken to bolster farm income." Yet these same people would not only feed the farmer the same medicine which has resulted in a 20-percent loss of income this year due to price depressing surpluses but also would add to his dosage. At the same time they blame the Secretaries of Agriculture for the farmer's sickness and for failure to operate a law that leaders of the agriculture committees have made inoperable and attempt to make still more inoperable.

The time has come when, in the general public interest, to say nothing of the best interests of all American farmers, a majority of the Members of Congress must stop a distinguished minority of its Members, who dominate the agricultural committees and thereby the conference committees, from enacting special-interest legislation for the benefit of the producers of a few select commodities, under the guise that it is good for the entire country.

For 3½ years, this small minority of powerful defenders of 90 percent price support on 6 so-called basic commodities which provide American farmers as a whole with only 25 or 26 percent of their total net income, has prevented the adoption of a sound price support program.

I do not want to be a party to the badgering and abuse which committee leaders have heaped upon the heads of our Secretaries of Agriculture of both political persuasions merely because these leaders have the whip hand. Neither do I want to lead a crusade to bring down the wrath of the people upon the heads of the Secretaries of Agriculture because they try in all sincerity to make operable an unworkable law which they have forced them to administer. I do not want future Secretaries of Agriculture, the farmers who produce the 75 percent of our agricultural commodities, our taxpayers and all consumers whom ratification of this conference report would injure, to suffer from my transgressions.

That is why I plead with you, my colleagues, to support the motion to recommit, to be guided by principle rather than expediency and to clean this bill up and to make it workable. If we think as much of all of the farmers as we say we do we'll get them a good bill and do it now. It is within our power to do so.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. McCULLOCH. I would like to know whether or not the committee of conference report authorizes a farmer to grow as much grain, particularly wheat, as he chooses to grow so long as he uses it on his own farm.

Mr. ARENDS. I think that is correct.

Mr. McCULLOCH. Without any equivocation or without any conditions, he may grow as much as he wants?

Mr. ARENDS. I understand that is right.

Mr. Speaker, I want to thank the gentleman from North Carolina for giving me these 5 short minutes. That is the best he could do, I know. I wish I had an hour, because, coming from a great agricultural district, I have some understanding of the farmers' problems and of what is proposed in this legislation.

It is my belief the average Member who represents an agricultural district is trying to find a solution to the farm problem. We differ, however, as to what the solution really is. I believe there is a sincere desire on the part of the average Member representing an agricultural district to reach a decision whereby we may have a constructive bill which will benefit the farmer. It is my conviction that will not be accomplished if the conference report is adopted.

Mr. Speaker, in the years I have been in Congress I do not know a single measure that has disturbed me as much as this particular proposal before us. I am not speaking politically or in a partisan manner. I am talking solely from an economic point of view. As I mentioned on this floor before, I am not intelligent enough to vote for a Republican farmer on one side of the road as against a Democratic farmer on the other side of the road or vice versa. It just cannot be done. Either I vote for the benefit of agriculture as a whole, or I vote against the best interests of agriculture as a whole, and what I am attempting to do is to vote in the best interests of all agriculture. Accordingly I think this conference report should be sent back to the committee for further consideration.

The conference report now before us is completely self-contradictory and contains much that could hurt farmers far more than it could help them. Frankly, I do not see how the President could sign this bill if it were passed, and I do not believe he will.

It is imperative that the bad features of the bill should be deleted so that other sound and constructive provisions can bring help to farmers this year.

I came from the so-called Corn Belt. Let me speak about it specifically. The Corn Belt has inherited surplus problems that originated in wheat and cotton. Over 17 million acres diverted out of these crops have gone into oats, barley, and grain sorghums. As a result, the 1954 and 1955 production of these feed grains increased more than 800 million bushels. And what did they supplant? Eight hundred million bushels of corn, thus leading to a buildup of corn carry-over and disastrously low acreage allotments for corn in the commercial corn area.

Existing legislation prescribes how corn acreage allotments must be figured. Under these requirements an allotment of 43 million acres has already been announced for 1956—down 22 percent from the planted acreage and 15 percent from the allotted acreage of last year. The Corn Belt cannot live with such severe restrictions, nor can our agricultural heartland any longer bear the brunt of surplus accumulations and acreage restrictions on wheat and cotton.

If we do not pass workable and sound legislation the situation in the Corn Belt becomes worse. That I firmly believe. Existing law prescribes how corn allotments shall be figured. Acreage allotments in subsequent years will be forced lower than the 43 million acres announced for this year, other feed grains will be taking the market and corn stocks will be further accumulated. Put that down in your book and remember it.

Remember always that corn has no minimum allotment as do wheat and cotton. I repeat, corn has no minimum allotment as do wheat and cotton. This year many farmers will be forced to plant more than their acreage allotments which means corn prices could be further depressed.

If we can improve this bill as proposed in the recommittal motion, the Corn Belt could be relieved this year of restrictions that now have become practically intolerable. Simple justice demands relief from the surplus problems of others dumped upon the Corn Belt. We must write a bill the President can sign or we automatically force on our corn farmers a corn allotment too small for them to live with.

The chief difficulty with the provision in the bill for mandatory price support on feed grain will be noncompliance—the same problem we have had on corn.

The way the program provided in this bill now before us is set up, feed grain acreage would have to be reduced sharply below 1955 levels in order for a farmer to participate. In North Dakota the cut would be 27 percent, in Iowa, 14 percent; in Washington, 40 percent; in Texas, 26 percent; in Ohio, 22 percent; in New York, 17 percent, and so on. Nationwide the cut would be 20 percent. With cuts as sharp as this many farmers would choose to stay out of the program.

The result will be that a certain percentage of the farmers would come into the program and turn their crop over to the Government. Others would stay out, and increase production.

Our 1955 experience with low participation in the corn program and low prices will be duplicated here for the other feed grains. Note, that except for 1956, these feed grain producers who do not cut their acreage sharply will not be eligible for any supports. This will hurt not help the corn producer.

In the Midwest, in order to become eligible for the higher support rate, farmers, once they find out their farm base—this cannot be done in less than a month—will have to plow under substantial acreages. The oats will have already been planted.

Mr. Speaker, I sincerely urge that this conference report be recommitted for further consideration. We do not have before us a farm bill, in the true sense of the word, in that it does not solve the farmer's problem—it only complicates it and creates new problems. In my view this is not a farm bill but a mere pretense. I would say that the bill we have before us is more of a political measure than anything else.

I have been in rather intimate touch with all that has transpired during the course of the consideration of this legis-

lation. It has been my privilege to attend the conferences at the White House on the subject and participate in the discussions.

While the President has not said categorically that he would veto this bill if, in its present form, it comes to him for approval, I am confident that he will. I am also confident that he will make certain that the farmers know why and that he will insist upon another measure.

For one, I shall urge upon the President that he explain to the people of this great country why this measure is unacceptable and why this Congress should remain in session, however long, until it deals realistically, objectively, constructively, and economically, rather than politically as here proposed in the bill before us, with the grave farm problem we have before us.

(Mr. ARENDS asked and was given permission to include as part of his remarks a letter from the Illinois Agricultural Association and a telegram from the American Farm Bureau Federation.)

(The matter referred to follows:)

ILLINOIS AGRICULTURAL ASSOCIATION,
Chicago, Ill., April 10, 1956.

In re H. R. 12.

HON. LESLIE C. ARENDS,
House Office Building,
Washington, D. C.

DEAR MR. ARENDS: The conference committee recommendations upon H. R. 12, in our opinion, provide very well for the interests of cotton and wheat producers but again pass a major portion of the burden for adjustments in production to the Corn Belt. This is done, notwithstanding the fact that farm income in the Corn Belt already has fallen much lower, proportionately, than farm income in these other areas.

The committee would retain the 2- or 3-price plan for wheat. Wheatgrowers would be assured 100 percent of parity for wheat produced for the domestic market. The remainder of their wheat, which is not exported, could be dumped on the domestic market as feed in competition with corn and other feed grains, which are already in surplus supply. A large portion of the existing surplus of more than 1 billion bushels of wheat, plus an estimated one-half of the future wheat production in the United States, might be sold as feed.

As further evidence of the preferential treatment of wheat and cotton growers, the law now provides a minimum of 55 million acres for wheat and H. R. 12, in effect, would provide a minimum acreage of about 17.4 million acres for cotton. Although the wheat area has diverted approximately 21 million acres out of wheat into soybeans and feed grains, and the cotton area has diverted approximately 8 million acres out of cotton into soybeans and feed grains, the committee struck from the bill the requirement that beginning with 1957 crops, in order to be eligible for price supports, producers must place a percentage of their acreage in the soil bank. The committee retained the provision fixing a 51 million acre base for corn but with a requirement that in order to qualify for price supports the corn grower must place crop land acreage equal to at least 15 percent of the corn base in the soil bank. The Illinois Agricultural Association feels that the growers of wheat and cotton should be treated in the same manner and that the provision requiring participation in the soil bank, in order to be eligible for price supports, should be retained in the bill.

With respect to feed grains, which compete with corn, the bill would raise the support price. The increased production of

soybeans and feed grains has largely occurred in the cotton and wheat areas. This would further encourage increased production of these feed grains. The bill would require the small grain grower to place an acreage equal to 15 percent of the small grain acreage in the soil bank in order to receive price supports. Thus, the Illinois farmer would be required to place an acreage equal to 15 percent of his corn base, plus an acreage equal to 15 percent of the amount usually planted in oats and other grains, in the soil bank. However, in Illinois, oats for 1956 already have been sown.

If we are realistic, we know that it is too late for the bill to be effective in Illinois this year. Small grains for the most part already have been sown. After the bill is passed, at best it will be 3 or 4 weeks before soil bank regulations can be issued and information carried down through the State and county offices to the farm level. By that time, corn will have been planted, too.

We recognize that a majority of the members of the conference committee cannot be familiar with Corn Belt problems. If the interests of the Corn Belt and Illinois are to be protected, this will have to be done on the floor. In view of the fact that the bill can have but little effect this year, we would urge that it be sent back to the conference committee with instructions to bring back a bill that is fair to all areas and particularly with instructions to include provisions which will obtain some control over diverted acres in all areas.

Sincerely,

ILLINOIS AGRICULTURAL ASSOCIATION,
OTTO STEFFEY, President.

WASHINGTON, D. C., April 10, 1956.

HON. LESLIE C. ARENDS,
United States House of Representatives,
Washington, D. C.:

There is no justification for Congress to rush through ill-considered farm legislation. To accept the conference committee report would be harmful to agriculture. It is too late for the soil bank to be effective this year.

Among the objectionable features of the bill are:

- (1) Fixed price supports for the basic commodities for 1956 at 90 percent of parity.
- (2) The double standard for computing parity prices.
- (3) Title V, price-support program for wheat and rice.
- (4) Mandatory support of noncommercial area corn and the mandatory increase in the support prices from 70 percent to 85 percent of parity for oats, barley, rye, and grain sorghums.
- (5) A 10 cent per hundredweight increase in the 1956 dairy price-support level and 80 to 90 percent mandatory support for dairy products in 1957 and thereafter.
- (6) Lack of control of delivered acres.

These provisions nullify other parts of the bill that might help adjust the agricultural plant to effective market demand.

The policy of fixing prices for certain farm commodities has been an important factor contributing to the development of our excess productive capacity and the present unsatisfactory farm-income situation.

One of the main objectives of the soil bank is to shrink the overexpanded agricultural plant. The conference committee report would have the effect of encouraging the production of wasteful and price-depressing surpluses.

We recommend rejection of conference report and enactment of Legislation that will actually help bring supplies in line with effective market demand.

CHARLES B. SHUMAN,
President, American Farm Bureau
Federation.

(Mr. DAWSON of Utah asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DAWSON of Utah. Mr. Speaker, this legislation is unfair to both the farmer and the general taxpayer. It is a short term sop rather than a long-term solution to the ills besetting our agricultural economy. It is a political pot-pourri of conflicting proposals.

Every agricultural expert I have talked to blames the present drop in farm income on price-depressing surpluses. These surpluses are directly attributable to the rigid price support program that has been in effect in recent years. This bill we are asked to approve continues and in some cases expands the rigid price support theory. We are giving the farmer more of the medicine in a somewhat stronger form than that which has made him ill.

Let us take the dairy industry as an example. Two years ago, Secretary Benson lowered the price supports on dairy products as he was required to do by law. A hue and cry went up that by so doing, the Secretary was going to destroy our dairy farmers. This did not happen. Today, the dairy industry is in better shape than it has been for 3 years. Milk prices are better than they were when the Secretary lowered the support prices. And—miraculous to say—the Government does not own 1 pound of surplus butter. Yet this bill would junk that program. The dairy farmer would be returned to the strait-jacket of high price supports. Surpluses would again begin to pile up as would the resentment of the city taxpayer.

The sensible feature of this legislation—the soil bank—comes too late to benefit many of our farmers. And the purpose of the soil bank—to cut production without penalizing the farmer—has been nullified by other sections of the bill which encourage more production.

The farmers need and are entitled to have sound legislation that will solve their problem on a long-term basis. They must not be at the whim of each succeeding Congress. Provisions of this bill setting high support prices on domestic feed grains benefit temporarily one type of farmer. But at the same time the livestock grower and poultry producer who must buy these feeds is penalized by having to compete with the Government for their purchase.

The continuation of the Government surplus purchase program is unfair to the farmers because it subjects them to criticism from city taxpayers that they do not deserve. Given the help proposed by the soil bank proposal and the conservation reserve, they could work out their own solution. But with this legislation, they will be again plunged into a program which has brought them to grief.

One of the few good features of the legislation as it was approved by the other body was deleted in conference. I am referring to the ceiling limits on the amount of Government purchases any single farm could receive. We are asked to approve this legislation to benefit the family farmer, yet the lion's share

of the funds will go to large corporate farms that do not need any Government help. Certainly a \$100,000 gross limit on the amount of Government commodity purchases any one farmer could receive would be sufficiently high to include the type of farmer we are trying to help. But this has been taken out of the bill. I can't vote for any legislation that permits the Government to turn over up to \$1 million to one corporate farm from taxes collected from our working people at a basic rate of 22 percent of their income.

Let us draft good, sound farm legislation. I have confidence that this is the type of legislation our farmers want. They are tired of being a political prize auctioned off each election year by each succeeding session of Congress.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Speaker, I just want to make a few feeble remarks in my weak way about this situation. One protest I want to make is that I do not believe it is right to threaten the Congress of the United States with a veto by the President.

We have three distinct divisions of this Government. We started out that way and I hope we are still on that course. The leader of the minority party comes in here today and gives us to understand that if this bill is not passed as they want it there will be a veto.

I have been up against a good many scary things in my life and I have not run yet. That veto does not scare me any, because I do not think the President has anything to do with veto, for, if the papers can be relied on, Mr. Benson says he will not approve this bill, so I do not think it will ever reach the President.

I will tell you the situation we are in in North Dakota. We do not raise 1 bushel of surplus wheat, not 1 bushel, yet everybody that comes out there to talk hollers "Surplus, surplus." If they were awakened in the night suddenly, the first utterance they would make would be "Surplus," when we do not have any. We raise hard spring wheat, not soft wheat, and there never has been and there never will be a surplus of that kind of wheat.

We are limited to a half section of 41 acres to plant. Who can make a living for a family on 41 acres, no matter what the yield is?

Then this bill provides for something that I am opposed to, but the general benefits outweigh the damage. They are going to have a soil bank. Where are they going to get the soil bank? They are going down into our little limited 41 acres and take it out of that. It just makes the future of the farmer less secure by taking away 8 acres of the 41. How many acres do you have left? Thirty-three.

I wish I had means enough and my friends had means enough to live this thing through and let you chicken feeders on the Atlantic seaboard have another depression. You want "soup lines"

again. They appeal to you but common-sense and reason, apparently, do not.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, we have at least 57 different varieties of opinion on farm legislation. Major farm organizations are in disagreement, and there is also great disagreement among Members of Congress. It is very difficult even to find farmer neighbors in agreement as to the proper type of legislation that should be approved by Congress to solve the farm-surplus problem. I respect the judgment and opinions of those who do not agree with me.

The production of food in this country is vital to every person whether they live in the cities or on a farm. Therefore, food and fiber production is also vital to the entire economy and security of our country.

During my service in Congress, I have always taken the position that we need a strong and prosperous agriculture. The buying power of American farmers is essential to the men and women engaged in business, industry, and labor in all of our communities. Farmers now find themselves in a price-squeeze situation which has already had its effect upon those engaged in business and profession in our respective communities. The farmer is a good buyer when his income permits. Therefore, I am approaching the farm problem in the philosophy that we must have a strong and prosperous agriculture for the benefit of the Nation's economy.

I was a minority member of the conference committee on the farm bill. In view of falling farm prices, I sincerely feel that it is necessary to have a satisfactory farm bill enacted during the present session. A conference committee was delegated to work out a bill, and naturally, we were forced to compromise our individual positions on some issues in order to secure an agreement in the conference report which is being considered today. There are provisions in the conference report which I do not like, and if it were left to me to write a farm bill, it would suit me but there might be many others in disagreement. Other members of the conference committee were in the same position, and we therefore endeavored to compose our differences in order to work out the best kind of a farm bill under the circumstances.

I definitely feel that all farm legislation, as well as other legislative proposals, should be considered on a nonpolitical basis. I have endeavored to follow such a policy in considering the present farm bill. A political farm bill will never be of much value to American agriculture, and I hope that the time is close at hand when Congress can enact legislation, which will place agriculture on an equality basis with other segments of our economy. I signed the conference report in the spirit which I have indicated. It was the best bill that we could get out of the conference.

One impelling reason why I signed the conference report was because it con-

tained a major portion of President Eisenhower's nine-point proposal. The keystone to the President's program created the soil bank which provides for taking tillable acres of land out of production so as to reduce surplus farm products in the United States. I am for the President's nine-point program as publicized in the newspapers.

We have been working on the farm surplus problem ever since I came to Congress. This was when we brought up the first-passed McNary-Haugen bill. At that time, I was a member of the Committee on Agriculture. The McNary-Haugen bill was never put into operation although twice passed by Congress. It dealt with the removal of surplus farm products. Some of the principles of the McNary-Haugen bill are embodied in the wheat proposal set forth in the conference report.

I feel that this program should be tried. We have tried many other schemes to get rid of surplus wheat without a great deal of success. Of course, the wars that we have been engaged in during the past 40 years have solved our surplus food problem, but I for one, do not want another war to be the solution of this important problem.

Time will not permit me to go into detail over the conference report. This report is available to all of the Members and I hope that you will study it. However, let me reiterate that we need farm legislation now and Congress should not adjourn without passing on this vital issue. I hope that the bill presented in the conference report will be agreed to.

My very distinguished and good friend, who spoke to you a few moments ago, the gentleman from Kansas, CLIFFORD HOPE, is now serving his last term in Congress. He has announced his retirement. I have served with him on the Committee on Agriculture for nearly 30 years. While we have had some differences of opinion, we have both worked for what we thought would be for the best interests of American agriculture. I regret that Mr. HOPE is leaving Congress. He has performed outstanding service during the past 30 years for his constituents and the country at large. He is, and has been, a very valuable Member of the House of Representatives—a man of integrity, a good legislator and one who has had the respect of all Members on both sides of the aisle. I am sure that all of my colleagues join with me in wishing Mr. and Mrs. Hope the best of health, happiness, and success when he leaves as a Member of the House of Representatives.

I respect the opinions of others. Although I hope that all people will agree with me, I fully recognize that I sometimes find myself in disagreement with other able Members and officials. In other words, I do not condemn or criticize those who have different opinions than mine. I vote my convictions, and that's the way it should be with all persons who have the country's interest at heart. Although there are certain provisions of the conference report with which I find myself in disagreement, I nevertheless feel that we have done a fairly good job in reaching an agree-

ment and in bringing this conference report to the House of Representatives for a vote.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, certainly in a few minutes I cannot discuss the details of this bill. I am not complaining, for under the rules of the House under which we are operating, we have two hours for debate and 435 Members. It certainly is not a perfect bill, but it contains many provisions which in my opinion will help the agricultural people of this country. Some of the provisions will help some sections and not help others; however, after considering the whole bill, I think it should pass and expect to vote for it. Certainly I feel it is the best we can do at this time, for the agricultural problem is one that involves the whole Nation—consumer as well as producer—and it is not an easy matter for 435 Members of Congress from every section to come up with the perfect bill that would satisfy everybody. Any farm bill must of necessity be the result of compromise.

Several things have happened during this debate that are rather astounding to me. I have great respect for the minority leader [Mr. MARTIN]. He comes out with the statement that the greater part of the provisions of the President's bill, sent down here in January, are in this bill. Then following that the distinguished gentleman from Kansas [Mr. HOPE]—and I have served with him for over 20 years during which time he has served twice as chairman of the great Committee on Agriculture and I do not know of a better student of agriculture or a more honorable man or one who thinks more seriously than does he, yet the gentleman from Massachusetts [Mr. MARTIN] certainly implied that the President has not called him in to counsel on whether or not he should veto this bill. Others in this House who would not know a potato from an acorn say definitely that the President is going to veto the bill. I simply cannot believe the President will veto this bill and leave agriculture in its present plight. I want to say this, in all seriousness, agriculture in this country is facing a very, very serious situation. We have not tried to stress it in my section of the country, but you cannot dress it up any longer. It is a depression. When hogs are selling for 12 cents a pound and other farm products just as low, the gentleman from Illinois [Mr. ARENDS], who opposes this bill, need not be worrying about this bill. He had better be worrying about some hogs with an appetite for his Illinois corn. What does it mean to sell hogs at 12 cents per pound and corn at \$1.20 per bushel, less handling charges? Why during the depression hogs were bringing 6 cents per pound and corn 80 cents; but they were dollars worth more than 100 cents to the dollar for there were not many around. Now with dollars worth about 50 cents comparatively speaking the farmer is now back to 6-cent hogs—60-cent corn, and so forth. Remember the last great depression of 1931, 1932 and 1933 started

with agriculture; then spread to the cities and all other sections of the country for there was no buying power. In my opinion we should not take such chances, agriculture is entirely too important to the Nation's economy for us to do other than give the problem our best. If we cannot get everything we want, I think we should remember that a part of something is better than a whole lot of nothing.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. BARDEN. To my district, my State and the Nation this is not only a serious matter but very important. I know it has been regarded as serious with the Committee on Agriculture. When the distinguished minority leader, Mr. MARTIN, said he is going to beat the bushes to try to defeat this agricultural bill with his motion to recommit, I am going to tell him that he had better find a place to beat rather than in the bushes, because he is going to find some farmers there, and I want him back in this House.

Mr. MARTIN. Is the gentleman trying to help me out?

Mr. BARDEN. The gentleman is in a very serious situation.

Mr. MARTIN. How is the gentleman's own Committee on Education and Labor? Is that in jeopardy in any way?

Mr. BARDEN. Oh, listen, any man who is chairman of the House Labor Committee is always in jeopardy.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has again expired.

(Mr. BARDEN asked and was granted permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Speaker, I wish to address myself to the rice provisions of this bill. It is not necessary to outline the cotton provisions. The most significant cotton changes are known to the membership of this House. I do want to talk for a moment on domestic parity or the so-called two-price plan for rice. This legislation for rice is similar to the provisions for wheat.

The cutback in rice acreage has been drastic over the affected area in the seven States that grow rice. In 1954 there were 2,609,908 acres planted. Under this bill the acreage allotment would be 1,652,596 acres for 1956 and also for 1957 which is about a one-third cut in the short period of 2 years.

I think this House and this Congress acted wisely in keeping the cutback down to 15 percent for 1956. If that provision had not been passed the acreage would have been cut some two-thirds in the current year.

Now as to the export picture. Sales to Pakistan have totaled 3,620,000 hundredweight, and to Indonesia 5,510,000 hundredweight, a total of 9,130,000 hundredweight which were recently consummated. I want to congratulate the Department of Agriculture for pushing those deals through although it was not an easy task. It is a most valuable serv-

ice to the economy of those States that grow rice.

The volume of rice grown in America amounts to only 1½ percent of the total production of rice throughout the globe.

As we move along I could explain to you some of the provisions of the two-price system for rice that are in this bill. The Secretary would proclaim the primary market quota which would amount to the consumption in America and possessions plus that in Cuba. The apportionment to the States would be on the basis of the average yield to the acre. In 1956 the average yield for 1955 would be used and in 1957 the 1956 average an acre would be the basis. Then the Secretary would apportion to the farms using normal yield on the farm under a formula that has been set up in this conference report.

The support would be 90 percent of parity for the domestic consumption plus the Cuban sales, and not to fall below 55 percent of parity on export sales in 1956. This is a 2-year program. For 1957 the export could not fall below 50 percent of parity, and the producer would obtain 90 percent of parity for rice that would be sold in this country and Cuba.

Certificates would be issued to cooperators for each producer's share of the primary marketing quota. The value of the certificates would be equal to the difference between 90 percent of parity and the level of price support which the Secretary of Agriculture had determined for the particular year, multiplied by the quantity of rice included in the certificate. The actual value of the certificate would amount to about \$1.83 per hundredweight. These certificates would be negotiable and the farmer could cash them in prior to the time that his rice would be delivered to the mill.

It is estimated that under the domestic parity or two-price system on rice, the farmer would average somewhere between 78 to 83 percent of parity on the total production on his farm. The domestic consumption, plus the Territories and Cuba, would amount to about 60 percent of the total rice production. On this 60 percent, the farmer would realize 90 percent of parity.

The bill provides for inventory adjustment payments to be made to those individuals or firms who hold rice in their possession on July 31, 1956. These payments are provided so that such person or firm would not suffer a loss by virtue of purchasing the rice during the crop year of 1955 at a higher price than would be provided under the two-price or domestic parity plan contained in the bill.

The bill amends the Agricultural Act of 1954 by provided a set-aside for rice. Sixty days after the new marketing year would start, the Commodity Credit Corporation would be authorized, under the rice set-aside provisions of the legislation, to transfer to the set-aside not to exceed 20 million hundredweight of rice.

This two-price system or domestic parity for rice is of vital concern to the States of California, Texas, Arkansas, Louisiana, Mississippi, South Carolina, and Missouri. The ricegrowers in these States cannot operate their farms and

continue in business under the drastic cuts that are contained in the present law. A plan to move rice consistently into export channels is essential to the well-being of the industry. It is felt that to fix the minimum support level at 55 percent of parity for 1956 and the figure of not lower than 50 percent of parity on such export sales in 1957 should encourage the movement of greater quantities into the channels of trade. These figures of 55 and 50 percent of parity do not mean that the export price would drop to such a figure; they mean that the price could not go lower than 55 percent in 1956 and 50 percent in 1957.

As the fledgling member of the conference on the part of the House, it has been a pleasure to serve with such outstanding Members of this House who have worked for the cause of American agriculture so ably and well for many years.

The conference worked long hours to bring this report to the House today. The farmer needs the relief contained in this legislation. Anxiously does he await the outcome of the vote on this proposal in both bodies of Congress, as well as whatever action that may be taken by the Chief Executive. I trust that the motion to recommit will be voted down and the conference report approved.

(Mr. GATHINGS asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, I yield myself 1 minute.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized.

Mr. COOLEY. Mr. Speaker, just a moment ago someone displayed a handful of telegrams on the left side of the aisle saying that there was great support for this bill. Here are petitions that I received in support of this bill, and not one is from my district or from the State of North Carolina. I have never seen such interest in any measure in my life as the farmers from Minnesota and all over this country have displayed and shown in sending these enormous lists of names here to me. Here are thousands of people throughout this country urging the Members of this House to pass this bill. I only desire to call your attention to this enormous number of petitions. During my entire service in Congress, I have never seen anything like this. It will, of course, be utterly impossible for me to acknowledge receipt of these thousands upon thousands of communications. I only hope that those who signed these petitions will understand and appreciate the fact that it will be impossible for me to acknowledge this grand expression of their views and interest in the work which has been done by the conference committee in trying to work out a workable bill.

I think this proves that the farm program is perhaps better understood than some of us in Congress believe.

The time will come in a few moments when the roll will be called and the vote taken. The farmers will then be able to count their true friends 1 by 1 and they will know just what has happened here in this chamber today.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. ANFUSO].

Mr. ANFUSO. Mr. Speaker, I must commence with the established fact that price supports for our farmers are a definite guaranty that they will receive a fair return from their labor on the farm. It is my view that the 90 percent of parity price support to the farmer is proportionately 10 percent less than what the laborer or the factory worker in the city would expect from industry. It is also 10 percent less than what any individual or corporation would expect in return for an investment in a business enterprise.

In short, all that price supports aim to do is to guarantee a minimum return for the farmers to an even lesser degree than is guaranteed to Americans in other industries.

The argument that such protection to the farmers constitutes an increase in the cost of living to the consumers is spurious. Even if it were true, I am certain that the average American consumer would not like to see any farmer lose his farm or quit producing food commodities because of insufficient income, just so that he—the consumer—can save a few pennies during the year. And that is all it amounts to, when we analyze it properly. Actually, however, it is not true that price supports increase the cost of living.

Let me illustrate this point once again, just as I have done many times in the past. A loaf of bread sells for around 16 to 18 cents, but of this amount the farmer gets only about 2½ cents for the wheat in that loaf. The percentage is so small that the price of wheat would have to be reduced by about 80 cents a bushel before it would be possible to get a 1-cent reduction in the price of a loaf of bread.

Or take the case of a cotton shirt which retails in the store for \$3.95. The cotton which goes into that shirt is worth less than 24 cents, and that is what the farmer gets for it. If you reduce the price of cotton, you can readily see how little it would affect the price of the shirt in the store.

Now, I want to tell my colleagues on both sides of the aisle that I believe we are missing the boat on this whole question. While playing politics and maneuvering for a favorable position, we are simultaneously closing our eyes to the tremendous opportunity which we have to eradicate hunger in the world and the great potential that food surpluses have in winning friends for our side in the struggle against communism. The surpluses of agricultural commodities, which some regard as a burden or even a threat to our economy, are in reality a blessing to our people. It is God's bountiful gift to America which enables us to maintain our country as a secure and prosperous Nation. It also enables us to aid less fortunate nations by helping to alleviate hunger in every part of the world.

There is no reason, no logical or sensible explanation, why these food surpluses should rot in warehouses, on abandoned ships, and on the streets, with the additional waste of millions of dollars every day in storage fees. These surplus commodities should be loaned out, not given away outright, just as we lend money to other nations; and this is to be done under terms which are most favorable to the countries that are able to use these surpluses in order to feed hungry mouths, as well as to keep the Russian bear away from their door.

My bill, H. R. 6868, would do exactly that. The bill seeks to amend the Agricultural Trade Development and Assistance Act of 1954 so as to authorize the sale of agricultural commodities on credit to be repaid within 10 years of the delivery of the commodities. Public Law 400 has done it to a very limited extent.

At this time, I should like to direct your attention to an even greater potential outlet for these farm surpluses. A few weeks ago, during a series of hearings held by the House Agriculture Committee, of which I have the honor to be a member, we heard a representative of the Department of Defense. I was shocked to learn that in the event of a sudden attack or other warlike catastrophe no provision was made to guarantee food supplies either to the civilian population of the United States and its territories, or the other peoples throughout the world. From past experience we know that in such event famine will strike many areas. We also know that wars have been won not only by extending the lines of defense, but perhaps no less also by extending and maintaining the food supply lines.

Last summer, when I was a member of the United States congressional delegation to the NATO Parliamentary Conference in Paris, I proposed to General Gruenther, the supreme Allied commander, that we store some of our surpluses in strategic areas throughout the world. I submitted the same proposal to the distinguished chairman of our committee, the Honorable HAROLD D. COOLEY. Both he and our distinguished colleague from Texas, the Honorable W. R. POAGE, brought up the same suggestion at a meeting of the House Agriculture Committee a few weeks ago.

I wonder if our colleagues here fully realize how important this could prove to be? In carrying through this proposal to store surpluses in strategic areas, we would practically have no surpluses to speak of. To all intents and purposes, it would almost eliminate the problem. But even more important is the fact that, in so doing, we would bolster our lines of defense throughout the world and we would strengthen our allies. This, to me, is one of the most constructive and far-reaching solutions to the farm problem. It is certainly much more preferable than seeking cutbacks in production. It is certainly much more logical than the accumulation of huge surpluses which are rotting away, while millions of people in this country subsist on inadequate diets

and untold millions abroad live in constant fear of famine and starvation.

Take the case of the famine in Greece last year, or in the lower provinces in Italy earlier this year. If some of our surpluses would have been stored in that area, they could have been used the moment the emergency struck, instead of having to fly the food in limited quantities from thousands of miles away under tremendous hazards and obstacles. Let me say also that in the event of some disaster or other emergency, I would not even hesitate to feed hungry and starving peoples behind the Iron Curtain, not only as a humanitarian deed, but as the surest way of helping to remove the shackles from those oppressed and enslaved people.

I am convinced that if we pursued a policy along such lines, it would serve to remove the fear and distrust on the part of many people who unfortunately regard us as being in the same category with Russia, namely, that we are only interested in military gains and in extending colonialism over subjugated peoples, but that we are not at all interested in the preservation of the freedom and the independence of these peoples in distressed areas of the world. It would be proof positive that we are very definitely and very seriously concerned with the well-being and preservation of all human beings in any emergency, whether manmade or through natural catastrophe.

I should like to suggest another way to stimulate wider distribution of our food surpluses abroad, not only as a solution to our present surplus problem but also for the future. I propose that at an early date the United States take the initiative in arranging a large international food fair with the participation of as many countries as possible, including the food-surplus countries as well as those who have to rely on outside sources for their food supplies. These food fairs could be held annually, each time in a different country, and the main purposes would be to promote a greater exchange of food commodities, demonstrate ways to increase production and consumption, and provide a better understanding of nutrition.

Let me make it clear that I am more interested in increasing the consumption of food by raising the standards of living for needy people in our own country, as well as abroad, than in cutting back production or controlling output. Let us keep the American farmers producing. There is a crying need throughout the world for our production. Our problem is not overproduction of commodities; the problem is underconsumption of foodstuffs. That perhaps more than anything else explains the great paradox of declining farm income at a time when we are enjoying an abundance of farm products.

I believe we ought to pass this bill now under consideration, notwithstanding the fact that it is not the best bill or the most desirable bill. Nevertheless, it is a measure of relief to the farmers of this Nation, and as such I shall support it. Later on, I trust, it might be

possible for us to come up with something better, something more acceptable to all concerned, if only we can permit ourselves to keep politics out of our deliberations.

Thank God, I do not have to play politics with this issue. As all of you well know, I do not have a single farm in my district in Brooklyn. I do not even have a tree in my modest city dwelling. Thank God also that I represent a district which is composed of people of various national origins from nearly every part of the world—but all of them decent, hard-working and loyal Americans who only want to see this great country of ours remain united and strong, and whose great dream in life is to see the world truly at peace.

In determining our action today, let the words of John Ruskin, the famous 19th century essayist, serve as our guiding light for the future:

Therefore when we build, let us think that we build forever. Let it not be for present delight, nor for present use alone; let it be such work as our descendants will thank us for, and let us think, as we lay stone on stone, that a time is come when these stones will be held sacred because our hands have touched them, and that men will say as they look upon the labor and wrought substance of them, "See this our fathers did for us."

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks on the conference report at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EVINS. Mr. Speaker, in considering this great farm bill, the Congress holds in its hand the remedy for one of the major economic problems which now confronts this Nation. Millions of farmers across the country are anxiously awaiting word of our action here today—and we must not fail them for their plight is tragic and their needs are urgent.

This Congress has thus far accomplished much. We have increased the minimum wage to \$1 an hour in an effort to improve the welfare of the workers of this Nation. We have enacted many other items of important legislation designed to benefit various groups. But the farmers, who need immediate aid, are still waiting—we must not let them wait any longer.

This farm bill should not be recommended.

Our conference committee, which is composed of the leading agriculture specialists of the Congress, has reported an excellent bill which contains many features which will increase farm income and curb declining farm prices. It has been thoroughly studied and discussed by Members of both Houses and explored in great detail by the able conference committee. There is no need for further committee deliberation—but there is a definite need for immediate action.

Farmers this very minute are beginning their annual spring planting and they need to know what Congress is

going to do for them this year—not next year.

If we delay here today in approving this farm bill, it probably will mean that these suffering farm families will receive no relief from Congress during this session.

I strongly urge that the House approve this measure as reported by the conference committee without further delay and in doing so the Congress will give our American farmer the type of legislation needed.

The plight of the American farmer is critical and we must not bypass them now because of political differences. The farmers of this Nation no longer discuss their problem in terms of prosperity—now, it is a question of survival.

To many of our farm families, our decision here today will be the deciding factor on whether they remain on the land they have tilled for decades—or whether they will be forced to leave their homes and farms and move to the cities where they can make a decent living.

In 1953, just a few days after Secretary Benson took office, farm parity stood at 94 percent and farm income was \$12.3 billion a year. Today the parity ratio has fallen from 94 to 80—the lowest it has been in 15 years—and farm income has dropped more than a billion dollars.

In my own State of Tennessee, cash income of farmers dropped more than \$30 million during 1955, and was the lowest since 1950.

A child could read these figures and come to the obvious conclusion that the situation is critical and immediate action should be taken. We have delayed too long already. The legislative process has been too extended on this measure.

It is obvious that declining price support policies, backed by the Republican Party and the Eisenhower administration, have done nothing except plunge the farmer deeper and deeper into the economic crisis which he now faces.

Forced farm sales, bankruptcies, foreclosures and tax sales have increased almost 50 percent during the past 3 years. Farm mortgage debts have increased in excess of \$1 billion. The value of the farmer's property has dropped more than \$10 billion. This is a far cry from the "prosperity" slogans handed out during the 1952 Presidential campaign.

The Benson manipulation of the farm problem through the flexible price support theory indeed has had a strange history.

In the fall of 1952, President Eisenhower stood in Brookings, S. Dak., a candidate for President, and wooed the farm votes of America by saying:

The Republican Party is pledged to the sustaining of 90 percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty of the price support of 90.

This was before the 1952 Presidential election. As history unwound itself—this promise, as did many others—fell by the wayside and the farmer was again forgotten—his vote having been used.

Here is the way the story unfolded.

In July 1953, parity stood at 94 percent. On October 21, 1953, Secretary Benson said, "It is my belief that the major price declines are behind us." The very next month parity ratio fell to 90—this was the minimum the President promised the farmers of America in his South Dakota speech a few months before.

On June 30, 1954, Secretary Benson said that the previous month's decline in farm prices "does not indicate a general weakening in the farm price structure." The next month parity fell to 88.

On June 15, 1955, the Secretary said: I am confident we have seen the worst of the transition which agriculture goes through following every major war.

The next month parity stood at 86.

Today, parity stands at 80, 20 percent below the base which President Eisenhower promised the American farmer in his South Dakota speech 4 years before. The present plight of the American farmer is clear evidence of the gross deception practiced upon the farmers of America.

And to further compound the deception, we have indications that the President will veto a high price-support bill if approved by this Congress.

I am reminded of the ancient parable which goes, "Oh, when first we begin to deceive, what a tangled web we weave." And caught in this tangled web is the administration struggling to clear itself of the tentacles of Benson sliding scale price policies for the farmers of America.

But in spite of all the propaganda, the speeches, the glib sayings; the facts are that out of every dollar the housewife spends for food, the farmer receives only 42 cents, compared with 46 cents in the fall of 1952. Farm prices are going down, down, down, and this plunge will not stop until we return to the parity formula previously enjoyed by the farmer under a 20-year, well-tested, and successful farm program sponsored by the Democratic Party.

From the history of declining farm prices, can the President and his Secretary of Agriculture, in spite of the 1952 deception, rightfully conclude that a plan of flexible price supports is the answer to declining farm prices?

It is time for Democrats and Republicans in Congress alike to join hands and bounce bungling Benson from his below parity bandstand.

We have tried the flexible method and it didn't get the job done. It is time we quit experimenting with the welfare of our farmers and enact legislation which will give them the relief they need and deserve.

The farmer's plight is not a laboratory case that can be examined under a microscope by the so-called farm expert scientists—it is a real and vital problem affecting the welfare of millions and the economic stability of our entire Nation. It is time we quit playing around with high sounding ideas and get down to the facts of the situation.

Our conference committee has proposed high price supports on basic commodities and a new parity formula based

on modern prices. These formulas are aimed at increasing farm income and stabilizing declining farm prices.

Here are the hard, cold facts:

First. The minimum support price of wheat will be increased from \$1.78 a bushel to \$2.26.

Second. The minimum support price of peanuts will be increased from 10 cents a pound to 12 cents.

Third. The minimum support price of cotton will be increased from 27.6 cents a pound to 33.5.

Fourth. The minimum support price of corn will be increased from \$1.30 a bushel to \$1.64.

Fifth. Higher support prices will be set up for other feed grains, and quickly—now, not later.

Last year, when the Democrats proposed a soil-bank bill, as a long-range aid to agriculture, the Agriculture Department told Congress that the soil-bank proposal would not work. However, this year the same proposal is placed before Congress and President Eisenhower terms it "imperative." What I cannot figure out is why was it not imperative last year—the trend in farm prices has not changed—they are still going down, down, and down.

In any event, the measure is before us today and I believe just about everyone believes it imperative. This measure is designed to reduce surpluses and to increase farm income. It is a good proposal and to use a hackneyed phrase, "It will help stem the tide in the long pull."

It is estimated that under the acreage-reserve plan, as proposed in this bill, farmers would receive about \$100 to \$300 an acre for tobacco, \$48 to \$60 for cotton, \$40 to \$70 for peanuts, \$18 to \$25 for wheat, \$36 to \$50 for corn, and \$60 to \$75 for rice.

The two-price program for wheat, as proposed in this bill, will give the farmers themselves an opportunity to vote on a plan which they think is best. It is a Democratic proposal—and I mean that in both senses of the term.

Under provisions of this bill, cotton growers are given protection against any cut in their allotments in 1957 and 1958, below the 1956 level. The national cotton allotment this year is 17,891,000 acres. In addition, to protect small planters, a national acreage reserve of 100,000 acres would be set up for the benefit of small growers. They will further benefit because unused cotton acreage allotments within a State in any year can be turned over to small planters to help them reach the minimum goal.

The same picture will prevail for other types of agriculture if the recommittal motion is defeated and this bill approved.

It is time the administration quit making an economic battlefield out of the American farms—the farmers deserve better. They deserve the benefits of this sound farm program, and I urge that we pass this bill without further delay.

Mr. FOGARTY. Mr. Speaker, the conference committee report submitted to this House undoubtedly represents long hours of consideration and an attempt by farm area lawmakers to find

some answers to an admittedly serious economic situation in American agriculture.

However, as a representative of producers and consumers in the State of Rhode Island I must take issue with several of the major items embodied in this proposed legislation.

This bill, with its provision for high rigid Government price supports and increased incentives for surplus production, can mean only higher taxes and rising production costs for the consumers and the farmers of my district. Farmers in this section of the United States can see little benefit in a legislative proposal that would provide increased costs on the feed grains they must have in order to raise—on limited acreage—livestock, poultry, and dairy cattle. At the same time, under the three-price program advanced for wheat the cheap feed that might result to farmers in other sections of the United States—particularly in the grain belt—can only mean greater competition to us by producers not now raising poultry, dairy, and other livestock.

This bill will depress agriculture in Rhode Island. It will further aggravate misunderstandings between consumers in the metropolitan areas and producers in rural and fringe areas.

It is not easy for a Rhode Island farmer, hamstrung by this type of legislation and all the publicity connected with it to explain to a city dweller in my State that he is reaping none of the benefits but, in fact, is finding his income steadily pushed lower and lower by the ever-mounting surpluses of overproduction from other areas of this country.

As many Congressmen from the Northeastern States know, the present program, and the program now before us, while not benefiting northeastern farmers in any discernible respect, impose harmful restrictions on us. Many of our northeastern farmers would like to grow wheat on their farms to use as feed. But if they raise more than 15 acres of wheat, heavy penalties are imposed upon them even though they feed all wheat they produce on livestock on their own farms. If they fail to pay such penalty they are eventually faced with court action compelling them to pay it.

The Legislature of the State of New York recently approved—Assembly Resolution 40, March 19, 1950—a resolution memorializing the Congress to permit farmers who use for livestock or poultry feed all the wheat they produce on their farms to be permitted to do so. These farmers do not receive any benefit from the Federal farm program. They should not be penalized by it. I am disappointed that there is nothing in this conference report that would lift such restrictions.

Farmers do not want this bill; consumers can only be against it. For these reasons, I urge that the conference committee report be rejected.

Mr. RAY. Mr. Speaker, I take this opportunity to place in the RECORD the principal reasons why I must vote against acceptance of the conference report on the farm bill, H. R. 12.

That bill imposes high rigid price supports which will be a continuing incentive for overproduction which, in turn, will build up enormous surpluses, all at heavy cost to the taxpayers. Coupled with the acreage limitation scheme for controlling production, such supports produce huge payments to the few operators of very large farms and threaten to eliminate the family-operated farms. Thus, those supports, for which the Democratic leadership claims credit, enrich the large operator and squeeze the small farmer.

This costly subsidy adds heavily to the already burdensome Federal taxation imposed upon the people of the whole State of New York and particularly heavily on the residents of the 15th District of that State, which I represent.

Other provisions in H. R. 12 will increase the prices of food for everybody.

Furthermore, the large farm organizations in New York are on record, as is the nationwide Farm Bureau Federation, in opposition to the rigid price support plan.

Recently, I sent a questionnaire to 12,000 residents of my district. Nearly 2,000 answers have been received. They voted 55 to 45 that a farm subsidy program is not right in principle.

Capping all these are the authoritative and expert opinions of the President and his Secretary of Agriculture that rigid price supports are contrary to the national interest.

For all these reasons, I must vote against the bill which the conference report brings before us.

Mr. H. CARL ANDERSEN. Mr. Speaker, as a man who came directly from the farms to Congress and as a Member of Congress representing a great agricultural district, I support the bill our conferees have brought before us. My support is not based on any belief that this bill is perfect but it is based on the conviction that it represents the best compromise possible under the circumstances. This conviction is further strengthened by the urgent need for new farm legislation for the benefit of American farmers and the rural business communities which have been so hard hit by the cost-price squeeze in our agricultural economy.

We farm Congressmen recognize, as do the Members from other segments of our Nation, that all legislation is a compromise and it is not often that we get all we want in the way of new laws. We are grateful for the good things this bill contains, and we can perfect the others as their shortcomings become evident.

Much has been said about the defects and deficiencies of this bill. Some of these criticisms are well founded, while others are based primarily upon the judgment or viewpoint of the individual voicing them. Personally, I am more vitally concerned with the good features of the bill.

The President and the Secretary of Agriculture have made the soil bank the cornerstone of any new farm program. Despite minor differences as to details, I am happy to say that all of the major farm organizations have endorsed the idea. I am also gratified that the com-

mittees developing this bill, the other body, and now the conferees have brought before us a bill containing a reasonably good soil-bank program along the basic principles of the President's recommendation.

As we stand on the threshold of victory in this long battle for a better farm program, I am grateful for the acceptance by the President and now by the Congress of a fundamental approach to our farm problems. For me personally, this is a day to long remember as I see the Congress move toward the adoption of a program for which I have long campaigned.

What better solution could we find to our problem of temporary surpluses than a program to help our farmers divert surplus-producing acreages to a soil-building and water-conserving bank of fertility for future needs sure to come? In my judgment, it will take about 3 years for the soil bank to have its full effect on the farm commodity markets, but a beginning must be made somewhere, and that beginning is being made here today.

As most of my farm colleagues know, I began the long, uphill battle for a soil-bank program several years ago. With this problem of temporary surpluses plaguing our Nation and depressing our farm commodity markets, it seemed that some commonsense approach should be developed to overcome this serious problem.

There is nothing new about the principles of the soil bank, but there is definitely something new about the manner in which we propose to apply those time-tested principles for the benefit of our agricultural economy—indeed, for the lasting benefit of our entire economy, for it is not just the farmers who gain from better farm commodity prices.

Three years ago the idea had become so fixed in my own mind that I began discussing it with farm leaders, individual farmers, small-town businessmen, agricultural experts, and others concerned with this problem. Early in January 1954 I arranged a meeting with the Secretary of Agriculture to discuss with him the fundamental principles of the soil-bank idea. It was my thought that if the Secretary could see the wisdom of such a program we might move for its enactment by the 83d Congress that year.

Although my proposal had been enthusiastically received by all with whom it had been discussed, I knew from my experience in the Congress that support from the administration would be essential to its enactment—and subsequent events have proven the accuracy of that opinion. We saw no real action on this until the President made the soil bank the No. 1 point in his nine-point program for agriculture as set forth in his message of January 9, 1956.

On January 28, 1954, when the Secretary of Agriculture was before my Subcommittee on Appropriations for Agriculture, I again discussed with him—in very general terms—the fundamental principles of the plan and asked his opinion on it. Although no bills had yet been introduced on the subject, and, al-

though the urgent need for such a program was already manifest, I was disappointed in the Secretary's rejection of the basic idea.

Anyone interested in the first official discussion of this proposal in the Congress will find that discussion between myself and the Secretary of Agriculture beginning on page 23 of the 1955 hearings on appropriations for agriculture.

Welcome support came from my distinguished colleague from Minnesota [Mr. MARSHALL] who has long rendered outstanding service, both in the Congress and in prior service, to the cause of agriculture. My colleague and I, on February 2, 1954, introduced the first bills of record in the 83d Congress to authorize what I had termed a "soil bank of fertility" on acres diverted from production.

These bills were followed on February 26, 1954, by S. 3036 on the same subject by the distinguished senior Senator from Minnesota; and another, S. 3049, by the distinguished junior Senator from Minnesota on March 1, 1954. I think it most significant, Mr. Speaker, that all of the soil-bank bills introduced in the 83d Congress came from members of the congressional delegation from Minnesota. Once again, we find Minnesota and its congressional representation in the forefront in the battle for good, constructive farm legislation.

No action having been taken on these proposals by the 83d Congress, the gentleman from Minnesota [Mr. MARSHALL] and I again introduced our bills on January 17, 1955, and we began our campaign for support which has led to the bill we have before us today.

On May 10, 1955, I went before the House Committee on Agriculture to testify in support of the basic principles of my soil-bank bill, and I must acknowledge today that the reception given the idea by that great committee was the most encouraging development to date.

We owe a great debt of gratitude to the distinguished members of our Committee on Agriculture who have worked so long and hard to bring this bill before us today. On this, as on most farm legislation, they have set aside their partisan and other differences and have joined in the common cause of doing something constructive for agriculture and our farm people. Perhaps in no other committee of the Congress can we find the members so completely dedicated to the responsibilities of their committee.

There are many good features to this bill, and foremost among them is the soil bank.

Give us this program to bring a reasonable balance between production and consumption, back it up with an expanded program of market development, research, and extension, and I confidently predict that within a few short years this deplorable argument over the level of price supports will disappear along with the surplus. Within the framework of this proposed legislation we find necessary provisions which will advance the cause of agriculture immeasurably and bring our otherwise booming prosperity to the rural business communities of America as well as our 5 million farm families.

A new day will dawn for American agriculture when this bill becomes the law of the land. For my farmers of the Seventh Congressional District of Minnesota, and the merchants and other businessmen caught in this sinking farm economy, I express my heartfelt thanks for your consideration of our needs.

Mr. BERRY. Mr. Speaker, I sincerely regret the fact that it is not possible for me to follow the leadership of my party on this bill but I shall vote against the recommittal of the conference report today because I feel the bill as worked out by the conference committee will do a better job of improving the economic condition of the farmers of the Middle West than will the bill as is proposed to be amended by the recommittal motion.

The prime purpose of this bill is to close the gap between the price the farmer is required to pay for his necessities and the price of the product he has to sell.

As was stated by President Eisenhower, the purpose of the legislation is to increase farm income. The soil-bank program, proposed by the administration is intended to reduce the burdensome surpluses and permit the law of supply and demand to improve farm income.

We are today faced with the fact that because of the lateness of the season, there can be little if any benefit to farm income this year through the soil-bank plan.

In addition it should be pointed out that farm acreages have already been determined for the 1956 crops, either they have already been planted or will be before this bill takes effect, so that reduced supports or any other price inducement will not affect the production of most crops, either up or down. All that can be done in this legislation is to improve the price of that crop which is produced.

The acreage allotments are in effect and apply to the 1956 crop. These crops cannot be increased.

The only thing this bill can hope to do is to improve the price of the crop that is produced this year on the designated acreages. The higher support prices incorporated in the bill apply to only 1 year.

During the pending year the provisions of the soil bank can be put into effect so that farm income can be maintained in the coming years with even reduced acreages.

In the meantime the wheat farmers of the Nation can pass their judgment upon the domestic parity plan, and put that into effect.

It seems to me that the best interest of agriculture and agricultural areas, as well as the economy of the entire Nation will be best served by voting down this motion to recommit and passing the bill as rewritten by the conference committee.

Mr. WHARTON. Mr. Speaker, there seems to be a suspicion in many quarters that the present farm bill is not good legislation. So-called Christmas-tree legislation in which something has been hung on for everybody is admittedly a bad approach. Why stop with the

farm vote when we could include everyone—just tax with the right hand and hand it out with the left wing and hope that everyone will be happy.

Farm legislation, as we know it, began many years ago with the broad general principle of interstate regulation and much was accomplished over the years of a beneficial nature. However, log-rolling and backscratching crept in, as is frequently the case, and bad legislation has resulted.

In my locality the fluid-milk producers are in a bad way and they are being squeezed out through a process of elimination. Corporation farming is encouraged through the current cost-price squeeze and the little fellows are being forced out of business. Production controls are mentioned in some quarters, but many so-called farm experts seem more concerned with the welfare of the middleman who already collects about two-thirds of the consumer dollar. The same holds true of the fruit and poultry industries. This situation is bad and I can see nothing in this bill that will alleviate the problems of the northeastern farmer. Increased consumer costs will surely result.

I hope that Congress will be called upon to produce a better farm bill and at the present session, before adjournment.

Mr. LOVRE. Mr. Speaker, I rise in support of the conference report on H. R. 12, not because I think it is a perfect bill, but because it offers immediate help to agriculture and a start on the long-range solution by the adoption of the administration's soil-bank program.

Mr. Speaker, I cannot vote for any motion to recommit which in any way tends to lessen farm income this year. The motion under consideration does just that. It is this year that agriculture needs help. Since February 1951, agriculture has been caught in a serious price-cost squeeze—the farmers receiving less and less for what they sell and paying just as much as ever for what they buy. According to the Department of Agriculture, farm prices in mid-March were 26.5 percent below the record high reached in February 1951, while on the other hand the prices of the things the farmer must buy were only 2.7 percent below the record high mark reached in May 1952. This condition is not something new but started back in 1951 and gradually has been getting worse each year—in fact, parity dropped 19 percent during the last 2 years of the Truman administration. The time has come when this trend must not only be stopped but reversed. This cannot be done unless Congress provides the necessary legislation which will increase farm prices because it looks as though there will be no reduction in operating costs in the immediate future. Wages, taxes, profits, and all other costs are at an all-time high and it looks as though these high operating costs are with us for some time to come. This being true, there is no way that we can ease this price-cost squeeze other than by supporting higher prices for agriculture products, which the conference report on H. R. 12 is designed to do by adding \$1 to \$2 billion

to farm income this year principally through higher price supports.

I realize, Mr. Speaker, that the reinstatement of the 90 percent mandatory price-support program is not to the liking of some people, but, on the other hand, if it provides the immediate help that agriculture needs we should not question the program unless we can offer a better program that will do the job and to date none has been offered.

Further, Mr. Speaker, the conference report provides for only a 1-year extension of the 90-percent support program, thereby giving Congress and the executive branch of the Government time to work out some other program that will give to the farmer 100 percent of parity to which he is entitled, and in the interim providing increased income for the farmer to ease the price-cost squeeze he is caught in.

Ever since coming to Congress, I have supported the 90-percent price-support program, not because it is the answer to the dilemma which agriculture finds itself in but because it bridges the gap in this transition period from war to peace when we are trying to reduce our stocks to a reasonable level and at the same time maintain a fair price to producer and consumer alike. It should be remembered, Mr. Speaker, that our farmers are not to blame for the surplus that today is depressing farm prices and costing the taxpayer roughly a million dollars a day for storage alone. It will be recalled that it was Government itself that pleaded with our farmers during the height of the war to enlarge their plants and produce more in order that we might be able not only to feed ourselves but our allies, too. Our farmers responded patriotically and provided the food and the fiber that was so necessary to win the war, but with peace, when the battlefields were turned into wheatfields, Government failed to adjust production and continued to permit production at wartime levels, thus producing the surplus which has caused the price-cost squeeze that today threatens the stability of our greatest industry, agriculture.

Mr. Speaker, I cannot follow the reasoning of those who contend that the present surplus is the direct result of the 90-percent price support program and that a reinstatement of that program will defeat the purpose of the soil bank. The surplus was not caused by the 90-percent price support program but rather by the administration of the program in not curtailing production at the proper time. At the end of the 1952 marketing year, we had on hand 562 million bushels of wheat, 5,600,000 bales of cotton, and 769 million bushels of corn. Instead of curtailing production at that time, our farmers were urged to continue to produce without any restrictions or controls whatsoever, and by the end of the 1953 marketing year, we had 902 million bushels of wheat, 9,700,000 bales of cotton, and 920 million bushels of corn, and we have been in a serious price-cost squeeze ever since.

By reinstating the 90-percent price support program with production controls for our basic commodities (wheat

and corn are the only basics grown in South Dakota), we will increase farm income immediately and by adopting the administration's soil bank program, will be tackling the long range program by taking land out of production, reducing surplus, and storing the fertility in the soil for future needs. Mr. Speaker, it seems to me that both programs are needed under present circumstances—one program to give the immediate relief that agriculture needs and the other the long range program to bring production in line with demand.

During the past 2 years, steps have been taken under the 90-percent support program to curtail production. The Secretary of Agriculture has already reduced wheat acreage from 78 million acres in 1953 to 62 million acres in 1954 and to 55 million acres in 1955 and 1956, the minimum acreage under the provisions of the support program. In addition, the farmers themselves have voted quotas, which means that if they overplant their acreage allotment they are subject to stiff penalties. In addition, wheat price supports have been reduced from 90 percent of old parity, the rate for 1954 and preceding years, to 82½ percent of old parity in 1955, and 76 percent of transitional parity in 1956, and during all of this time it must be remembered that the operating expenses of the producer have remained at or close to an all-time high. Not only has our farmers' production been cut, but prices, too, and farm income, Mr. Speaker, is production times price, less cost. Industry cuts production for only one purpose; that is to maintain price. Industry never cuts production and price at the same time, and we shouldn't expect that of agriculture, either.

There are many other provisions in the conference report worthy of mention, namely, increased supports for dairy products, mandatory supports for feed grains, retention of dual parity, a trial run on a 2-price system for wheat, \$500 million authorized to supplement section 32—Public Law 320, 74th Congress—funds for the purchase of perishable commodities when necessary in order to stabilize price, and several other items, all of which are designed to bolster farm income in 1956 and to bring production in line with demand.

I cannot let this occasion pass without commenting that this body passed a farm bill on May 5, 1955, a bill which reinstated the 90 percent support program for another 3 years. It is now April 11, 1956, almost a year later, and we are just getting around to vote on the farm bill. It is well to call your attention to the timetable. May 5, 1955, H. R. 12 passed the House of Representatives and was sent to the Senate; January 9, 1956, President Eisenhower sent a special farm message to the Congress; the Senate Agriculture Committee did not report out a bill until February 10, 1956; the Senate did not start their debate on the farm bill until February 22, 1956, and did not pass the bill until March 19, 1956. On March 26, 1956, the bill went to conference and today we are voting on the conference report.

During all of this time our farmers tried to lay out their farm plans, make the necessary credit arrangements, and start operations for the 1956 crop year. They have been very severely penalized because of the failure of this Congress to take early action. Truly, the Congress is the greatest deliberative body in the world, but insofar as the farm bill is concerned, there was too much deliberation and too much inaction to assist the farmers in this most trying period. I have contended in the past that agriculture should not become a political football because it would work to the detriment of the farmer. I can't say categorically that politics has been played with the farm bill this year, but I can say that our farmers have now made what plans they could for this year without having the slightest idea of what kind of farm program they would be operating under. To me, this is a gross injustice and if done with intent should be subjected to the most vigorous censure.

Mr. Speaker, I am definitely of the opinion that it is absolutely essential that we adopt the conference report in order to give agriculture the help it needs in 1956, as well as to start the long range program sponsored by the administration which is the provisions of the soil bank.

Mr. BENTLEY. Mr. Speaker, I have carefully read House Report No. 1986, in connection with the agricultural legislation which we in the House are considering today. I have been following the deliberations of the conferees in the past several days, and only during this past week attended several farm meetings in my State of Michigan for the purpose of getting the opinion of my farm constituents in this question.

The general consensus of opinion that I learned from my farm people was that such legislation would do them little good. The average farmer in my district derives his income chiefly from dairy and livestock products. Now there is nothing in this bill for my livestock people. As a matter of fact, it is even worse than the Senate bill which at least contained adequate prohibitions against participants in the conservation reserve violating their contracts and putting livestock on the reserve acreage. If this is done to any extent, it will greatly increase livestock production and further depress prices. The Senate bill contained a provision that such a violator would forfeit all price-support benefits. However, the conference version eliminated this feature which did provide some protection to livestock producers. Therefore, I consider this bill discriminates against our livestock farmers.

The conference report also discriminates against our dairy producers. True, it does establish the support level for manufacturing milk at between 80 and 90 percent of parity and further provides that the price of manufacturing milk and butterfat shall be supported at not less than \$3.25 per hundredweight and 58.6 cents per pound, respectively. This would mean an increase in the parity equivalent for manufacturing milk from 82 to 85 percent, roughly.

In dollars and cents, it would mean an approximate 2.5 percent increase to my dairy producers.

But the Senate bill established the parity price at 88 percent and also used a parity equivalent based on the 30-month period from July 1946 to December 1948. This was knocked out by the conferees. The Senate bill also made this parity increase indefinite whereas the conference version specifically limited its meager increase in dairy prices to 1 year.

I understand that section 103 of the conference version dealing with price supports for manufactured milk is acceptable to the administration. However, I regard it as discriminatory against my dairy producers and makes another reason why I cannot support the conference report.

Most of my farmers are small farmers. They are angry at seeing large farmers and large farmers in other parts of the country receiving huge payments from the Federal Government under price-support programs, sometimes extending into 6 or 7 figures. Now most of them are willing to give the soil-bank plan a fair try. But they do not want to see people making large sums of money out of the program.

The Senate bill contained language specifying that participants in the soil bank could only receive maximum payments of \$25,000 under the acreage-reserve program, and \$7,500 under the conservation reserve. The conference version struck both of these ceilings from the bill. I, therefore, regard this version of the agricultural bill as discriminatory not only against dairy and livestock producers, but also against small farmers in favor of large producers. A third reason why I am not going to support this conference version.

As far as the soil bank itself is concerned, a feature which I regard as the most desirable of the entire bill, I feel that the time is too late for it to be of any benefit to farmers this year. I know that the compromise version contains a provision that will permit farmers to participate even if he has already planted his 1956 crops. To do that, he has to plow up the crop which he has already planted. I regard such a practice as wasteful and destructive and completely inadequate. The truth of the matter is that the Congress is too late this year to help the farmer.

But the great objection to the conference version of the farm bill, Mr. Speaker, as far as I am concerned, is the proviso providing for 90 percent of parity on the basic commodities.

Michigan farmers derive less than 20 percent of their income from these so-called basic commodities. Incidentally, I recall last week at a farm meeting a farmer asked me how it is determined that a commodity is "basic." I told him that it was simply a question of politics. Now this restoration of high rigid price supports will do little to benefit our Michigan farmers. But it would hurt them in many ways: By piling up surpluses and further depressing market prices, by raising the cost of their feed grains perhaps as much as 15 percent and by continuing and increasing a sys-

tem of Government controls, regimentation and interference, with which the large majority of my farmers are thoroughly disgusted and tired.

At this point, Mr. Speaker, I wish to read the text of an article which I have prepared for publication in the spring issue of the Republican State National Journal which shows why rigid supports will hurt rather than help the average Michigan farmer:

POLITICAL FARM LEGISLATION

In spite of the efforts made by the Democrat Party to blame the administration for the serious farm problem, the facts tell a different story.

Farm surpluses are generally acknowledged today as being one of the principal causes behind the drop in farm prices. These surpluses came into being as a result of high, rigid price supports which were instituted during World War II to stimulate production and which were never removed even though markets shrunk considerably thereafter. The current drop in farm prices began in 1951 under the previous Democrat administration and under a high price support program which was continued until last year.

Now, after only one year of flexible supports, the Democrats can think of no better solution than to return to high supports which are responsible for the present problems which face the farmer today.

The administration soon realized that flexible supports would not alone solve the farm problem because of the overhanging surpluses that threatened to glut the market. Therefore, the soil bank plan was put forward to effect a sharp reduction in production of surplus crops and also to remove from cultivation much marginal land which came into production only because of the attraction of high supports.

The Democrat-controlled Congress has deliberately delayed action on any new farm legislation, including the soil bank plan, until it was felt certain that the time was too late for any benefits to take effect this year. Further, in spite of the President's express disapproval of any legislation embodying a return to high price supports, such a maneuver was included in the compromise farm legislation, thereby inviting a presidential veto.

The Democrat chairman of the Senate Agriculture Committee even admitted that unless farm legislation was passed by the Congress before the end of March, the whole soil-bank plan and indeed all farm legislation might as well be abandoned for any good it would do the farmers in 1956.

Actually, I believe the average Michigan farmer would prefer to forego price supports if he could at the same time relieve himself from Government controls and regulation. Assuming that this is not possible at present, a system of flexible supports to level production and demand off together surely offers more than high supports.

The Democrat bill, for instance, proposed a return to supports at 90 percent of parity on wheat and corn which account for less than 20 percent of the Michigan farmer's income. Our farm people get more than half of their income from dairy and livestock production. Now there is nothing in the Democrat farm bill for livestock or livestock products. There is an increase in the price support level for dairy products, an increase which, in the case of manufactured milk, would amount to roughly 2.5 percent. But at the same time our dairy farmers were getting this small increase in their milk prices, they would be faced with other provisions of the bill which would increase the cost of their feed grains by as much as 10 percent.

I think the foregoing will show our Michigan farmers how much the Democrats know

or care about their problems. This is what happens when politicians in Congress try to write farm legislation.

Mr. Speaker, I said earlier that the conference report was discriminatory against the small farmer. The whole price-support system, especially high supports, definitely discriminates against him. In this connection, I want to read the text of an editorial from the April 7 issue of the Saginaw News entitled "Taxpayers Underwrite Big Farm Operators":

No one ever showed us a check for \$1,292.-472.25. But that was the size of the Government loan which one king-sized farm outfit drew on its 1954 wheat crop. That's the kind of money a big one-crop operator can pull down in a year without a dollar's worth of risk through this 90 percent of parity price guarantee that American taxpayers are underwriting.

The more Congress delves into the complexities of farm economics the more these fantastic inequities keep coming to light. We'll know soon, when the House-Senate conference bill is reported out, what policy is to prevail, whether the Government will encourage the family-size farm or continue to underwrite these big corporations whose fields run to the horizons with the sky the limit on the size of their guaranteed checks.

More than half of the Nation's 4,782,000 farmers get no benefit from price supports. The bulk of the money goes to the big, one-crop growers of wheat, corn, and cotton.

Considering that only 130,000 of these nearly 5 million farmers have gross incomes of \$25,000 or more a year, it is plain to see who is getting the lion's share at the expense of all of us.

The average Government loan on wheat ran only \$1,800 a farm. Yet 62 big outfits received more than \$100,000 apiece from the Government on their 1954 crops. One big Louisiana rice grower picked up a price-support check totaling \$486,725.77.

The family size farm versus the king-size farm has been debated from all angles. The economics of the thing can be turned in most any direction. Those who would build a case for protection of family farms hasten to defend the smaller unit as a way of life which has spiritual and other healthy values centered in land ownership and independence.

Business-minded Americans say big farms are a natural, desirable evolution which only prove that mass production can be brought to agriculture, that fewer and fewer people are required to produce in abundance all the food this Nation requires.

In both instances, advocates touch lightly on the extent of taxpayer subsidy required to make good their cases.

Family farms have been defined by a Congressional committee as those yielding an annual income of less than \$2,500. To fight for the preservation of this way of life strikes us as the defense of a livelihood hardly measuring up to what we could find pride in perpetuating.

By today's standards, that is marginal living. To subsidize those who produce little more than enough to sustain themselves is to encourage chronic dependency.

But the bigger fallacy, as we see it, is in the staggering subsidy of the big corporate farm outfits. They not only enjoy tariff protections from foreign competition. They also dare engage in huge single-crop farming because they have been guaranteed a market for every bushel or bale they produce—at a guaranteed minimum price, cash on the barrel head.

This unrestricted overproduction has hurt agriculture, including the family-sized farm. And it will continue as long as Congress makes price supports themselves an incentive of profit, rather than a cushion against a disastrous slump as was the original intent.

Mr. Speaker, I could go on at length but I do not believe I need to give additional reasons why this conference report on farm legislation is discriminatory against and damaging to our Michigan farmers and why I will vote against it.

Mr. ABERNETHY. Mr. Speaker, this is an important hour. Millions of farmers have their sights on our actions of today. After 3 years of continuous income decline they are looking to us for relief.

Almost 4 years ago Republicans made campaign promises of better days for American agriculture. All have been broken. This is their last chance to come forward and deliver. This is their last chance to increase agricultural income for 1956. Hereafter it will be too late. It is this or nothing.

Much has been said about the possibility of a veto. That is the President's privilege. However, it is improper to waive the threat of a veto over this body in an attempt to influence our votes.

We were sent here by our respective constituencies. To them we are responsible. We are not responsible to the President. We are not called upon to be his rubberstamps. It is our duty to vote our own convictions. After so doing if upon passage the President vetoes this measure then the responsibility for the consequences is his, not ours.

I am for the conference report. I am supporting it because it will increase farm income this year. I am supporting it because it means a better price for farm commodities now.

I am supporting it also, Mr. Speaker, because it places a floor under the national cotton allotment for the year 1956 and 1957. Cotton farmers cannot stand further acreage reductions. I am supporting it further because it will bring some relief to the small cotton farmer through the provision providing an extra 100,000 acres for allocation among cotton farmers who have been reduced under 4 acres.

I am supporting it for other reasons. It does not reflect my views in every respect. However, it is a reasonably good compromise, as is all legislation of major importance.

The conference report is the handwork of weeks and weeks, yes, months and months, of hard labor by able legislators familiar with the problems of American farmers. We should not cast away their effort and leave our farmers to the hazard of further depressing prices.

It is time that the President, Secretary Benson and most of our Republican colleagues faced up to the situation. They are leading American agriculture right back to the position they left it in 1932.

If a farmer were to have fallen asleep 25 years ago—become sort of a modern-day Rip Van Winkle—and not awakened until 1956, there is little doubt in my mind that he would experience any difficulty in ascertaining which political party is in control of the White House, if all the facts on the current price dilemma farmers find themselves in were sufficiently laid before his eyes.

History of the 1920's and the 1929 to 1932 era is poignantly repeating itself. And farmers under the callously enforced price-depressing policies of this

administration, now find themselves once again staring at the bottom of the economic barrel, worried lest that turn out to be flexible, too.

Meanwhile, the giant business organizations of this Nation under the watchful guidance of Cabinet emissaries and the resulting friendly policies of this administration are reaping record-breaking profits.

Prosperity has settled its golden mantle on General Motors, who in 1955 took in net profits of more than \$1 billion, and Ford Motor Co., which according to its chairman some weeks ago looked forward to netting more in 1956 than in all the 21 years previous to World War II. Prosperity has come to them and to other segments of business, but not to the farm.

And let me interject at this point that despite the political slogans of the Republican Party, these profits did not come under an economy geared to peace, as they would like us all to believe. I would remind you that about 65 percent of our budget is still geared to a wartime economy.

Speaking of the tremendous profits that have been reported in all of the leading business journals of the Nation, I think that it should be pointed out here and now that the philosophy of this administration is deeply apparent in the paradoxical action it took of lowering the excess-profits tax to big business on the one hand and lowering price supports to farmers on the other hand.

That is the epitome of the motivating philosophy behind this administration's entire domestic program. Once again the Republican Party has proven conclusively that it is not the party of the common man. It has shown little concern for the little people of our land who produce the food and fiber this Nation consumes.

Still, even though farm prices have fallen 36 percent since 1952, we hear plaintive cries of innocence from administration officials whenever someone points an accusing finger at them and their flexible price-support plan.

They rammed it through Congress over the protests of the minority party in 1954. The Republican Party forced this flexible price-support program on farmers, which last year alone cost the people who till the soil nearly one and a half billion dollars in net income, from the year before.

Still, I have read in the papers that the administration and the Republican Party hired a high-powered advertising agency to sell Mr. Benson and the sliding scale to the American people. They have used the slick merchandising techniques, the mass-selling idea—with a Hollywood trimming—because they cannot sell either the Eisenhower farm program or Mr. Benson to the farmer on the basis of fact.

I ask in all seriousness, is this responsibility in Government? Is this the responsibility that the American people have the right to expect, regardless of which political party is in control? The answer to me is very obviously, "No."

For 3 years now, this administration has deliberately and carefully carried out a campaign to convince the American

people that farmers have been wards of the Government for the past 2 decades, and that flexible supports or perhaps even a full, free market for agriculture would solve the whole thing and cleanse the supposedly black soul of the farmer.

To carry out this diabolic plan they have refrained from giving the facts on the current farm situation and the entire farm picture, to the people.

During the last session of Congress, Under Secretary of Agriculture True Morse told the House Agriculture Committee that his Department did not contemplate offering further legislation in substitution of or amendatory to present legislative authority. In other words, the administration had the authority it wanted. And, it must have been assumed that the authority it had was all that was needed to bring farmers "100 percent of parity at the market place," General Eisenhower's outstanding farm promise of the 1952 campaign.

Morse's attitude, in speaking for Secretary Benson, was embodied in such pie-in-the-sky statements as "the decline has been checked," "things are looking up," and "we are moving in the right direction." In face of the mounting decline, Eisenhower, Benson, and Morse declined to accept the facts. They permitted the situation to roll on and on, down and down, without attempt to check it.

Then came October. With the roof falling in Eisenhower and Benson finally confessed that things were not going well, that farm decline was serious, and that action was demanded. They promised a new program. Oddly enough their new program will not increase farm income. Actually it will, through flexing prices and other devious methods, decrease it.

But even as late as September, only a few weeks prior to the administration's admission of farm distress, the Vice President of the United States, Mr. Nixon, was closely following the technique of refraining from giving the facts on the farm situation. In what the press had billed as a major farm address at the National Plowing Contest at Wabash, Ind., on September 17, Nixon attempted to repaint the administration's usual rosy picture for agriculture.

I wish to discuss a few of the points the Vice President made in this speech, so that we may all have a clearer picture of what this administration is up to.

In the beginning of that speech, Mr. Nixon made among other points these two: First, there is no farm depression in the United States; and second, our agriculture economy is basically sound.

I submit that the Vice President, as they say in the vernacular, was "pulling the wool over the eyes" of the American people, or at least he was trying to. No one was fooled.

If you compare the cash prices of major grain crops as of last October 15, with the average prices of the same crops back in the black year of 1933—following another Republican administration—you will find the following to be true using the same parity formula basis:

Wheat, as of last October 15, was 77 percent of parity; 70 percent in 1933. Barley was 51 percent of parity in Octo-

ber; 58 percent in 1933. Flaxseed was 57 percent of parity in October; 81 percent in 1933. Oats was 50 percent of parity in October; 71 percent in 1933. Rye was 43 percent of parity last October; 73 percent in 1933. Corn was 69 percent of parity in October; 68 percent in 1933.

Still I recall that another administration official not long ago told farmers that they should not expect any more. He said these prices were normal and that the prices of previous Administrations were those of a dream world.

Now I ask, in view of the facts just quoted does it sound as if agriculture is basically sound? Is it basically sound when net farm income since 1951 has fallen more than \$4 million, to an estimated \$10.6 billion this year?

Are farmers in a financially sound position, when their net incomes drop an average of 30 percent in 4 years?

It appears to me that if Mr. Nixon had lived up to the responsibilities of his high office and discharged his duties properly, he would have told the people this is more than ample warning that flexible supports are not the answer to the farm problem and that something must be done immediately to stop the price drop that is driving farm families from their homes and from their land.

The newspapers of rural America, especially in the Midwest are increasingly running big ads, announcing that this or that farmer is selling out. They've been forced to quit because of the sliding scale—the flexible price-support program—that is seemingly more sacred to this administration than are the lives of millions of American farm families.

But, Mr. Nixon, like so many of his coworkers, is more interested in continuing the campaign to keep the administration's ruinous flexible price support law on the books than he is in giving the American people the facts on what's actually happening on the farm.

To continue on with the Vice President's speech, he made this statement:

Let's lay one mistaken theory to rest right away. The new flexible-parity law cannot by any stretch of the imagination be held responsible for the drop in prices.

My friends, let me read these facts to you and you can draw your own conclusions.

Since 1952 this administration has dropped price-support levels on farm commodities as follows: From \$1.22 a bushel on barley to 94 cents a bushel; for oats from 78 cents to 61 cents; for rye from \$1.42 to \$1.18; for grain sorghum from \$2.38 to \$1.78; for flaxseed from \$3.77 to \$2.91; for soybeans from \$2.56 to \$2.04; and cottonseed from \$67 a ton to \$46 a ton.

That is not to mention the drop of 15 percent of parity in dairy support prices, that Agriculture Secretary Benson decreed with full approval of President Eisenhower back in April 1, 1954. That drop from 90 percent of parity to 75 percent of parity brought about a 40 percent cut in net family income of producers of manufacturing milk.

Does this sound as if it is a stretch of the imagination to blame the farm price drop on price flexing, as this official

speaking for the Eisenhower administration says it is? No one forced them to lower these farm price supports. They did it under their own volition. And they did it in full knowledge, I believe, that farm prices would drop to the support level or lower, the moment they did so.

They did it with little concern for the effects it would have on the family-sized farmers of this Nation, who helped elect a Republican President in 1952 and believed him when he made the promise of parity to farmers at Kasson, Minn.; Brookings, S. Dak.; and Columbia, S. C.; and other places during the political campaign in the fall of 1952.

That promise to agriculture, which was so prominently displayed in banner headlines across the front pages of the Nation's press I would remind you, was repudiated in the congressional session of 1954. And who has benefited from it? No one unless it be the big food processors. Certainly not the consumer and not the farmer.

Now, if I may be permitted to read two more sentences from that major farm policy speech of the Vice President I have been referring to. He was telling the audience how the Eisenhower-Benson farm program was attacking the farm problem on two fronts, and he said:

On the production front, a new flexible-parity formula has been adopted so that farmers will not be encouraged to grow more crops already in surplus.

On the consumption front, we are finding new markets for farm products.

Surely Mr. Nixon knows that the law this administration passed is nothing new. It is the same old law the 80th Congress passed back in 1948 with the built-in double flex—one through the lowering of price supports, the other through the lowering of the parity level itself. And surely the Department of Agriculture knows that contrary to Mr. Nixon's statement, farmers seeded more acreage to uncontrolled crops last year than they did the year before. And why? To try and make up for the loss in income through price flexing, that is why.

Now on the matter of boosting consumption and opening new markets, I wish the administration would clarify this point by naming a few markets they have opened up and where consumption has risen.

May I point out, since they have not, that though they lowered price supports on milk, consumption per capita of dairy products in 1952, when supports were 90 percent of parity was 688 pounds per person and during 1955 it was about 682 pounds per person, or about the same.

Exports have dropped on wheat, also on cotton.

Does this sound like the administration is solving the consumption problem?

The farmer and the American people have been sold an empty package, a package bearing the false label of prosperity to the farmer and wrapped in the shiny promise of lower food prices to the consumer.

But the package has been opened and all we have found inside is the warped philosophy of planned scarcity that this great country of ours cast aside nearly

a quarter of a century ago. We cannot live up to our responsibilities to our citizens of this country under such a policy, neither can we live up to our world responsibilities.

We as the strongest bulwark of democracy in the world cannot afford to tell the farmers of our country who comprise 13 percent of the total population that less than 4 percent of the total national income is all they have coming, and that they should not ask for more.

We have no moral right to use economic sanctions to drive farmers from the land—whether it be in the trumped up name of "efficiency" or in any other name.

Relief can come only through increased income. The administration's program will not meet the emergency. The conference report will. It should have our support.

Farmers have taken upon their shoulders one of the most important jobs in this Nation or any other nation for that matter. And that is their responsibility to produce the food that you and I and 165 million other Americans eat today. This is a responsibility that lasts 365 days of each year and with each successive year that job gets bigger. They have also produced enough to enable this country to help indigent neighbor-nations in this world community and through this means stop the advancement of communism. All we have to do is use it.

Farmers have lived up to their part of the bargain. They have produced food and produced it abundantly. And they have done it without any cost-plus contracts with the Government. As a matter of fact, during World War II and the Korean war they were the only major industry that did so.

Now we must live up to our responsibilities and rid American agriculture of the inflexible thorn of flexible supports and depression level prices, that the Republicans and this administration have so mercilessly pushed into its side.

We must recognize the fact that farmers are entitled to a living standard equal with the rest of the economy and enact legislation that will return to them good prices and a fair income.

I urge you to support the conference report.

Mr. BYRNES of Wisconsin. Mr. Speaker, I think we should frankly recognize this bill for what it is.

It is legislation designed not so much for the farmer as it is for politicians who want the farmer's vote. It is a conglomeration of gimmicks and devices to dump taxpayers' money into the hands of some segments of the farm population prior to election time. In no way can it be considered a solution for the serious problems which confront American agriculture today.

When this session began, the great question confronting the Nation was whether the Congress would forget politics and try to develop a program which looked to sound, long-range solutions for our agricultural problem or whether it would accept expedients offering only temporary relief lasting through the November elections. History will record, if

this bill is passed in its present form, that Congress bowed to expediency at a time when statesmanship was never needed more.

The program submitted by the President offered hope for a long-range solution, encompassing a soil-bank plan which would have provided financial incentive for attacking the causes of agricultural surpluses. Congressional delays in the adoption of the soil bank rendered it almost useless for this crop year. Because of that fact, this bill has been loaded with every conceivable kind of gimmick to increase the price of this or that crop—with the Government paying the bill.

The net effect can only be to aggravate our basic problem of surplus production by encouraging the farmer to use every possible means to increase his output on the acres available to him. If this bill is enacted it will not solve the farm problem. It will aggravate it; it will increase it; it will make its eventual solution more difficult. This bill, in the long run, does a disservice to the farmer. I think he will eventually come to realize that—even though it is the hope of its sponsors to use it to win his support in the election this fall.

For example, the Wisconsin dairy farmer will take a careful look at the effect of this bill upon his operation.

It does offer him a 1-year increase in the support price for manufacturing milk. But for the extra 10 cents he would get over the present support price he may well be paying the most expensive price in his history.

If this bill becomes operative in its present form the Wisconsin dairy farmer will find he has been sacrificed on the altar of the sacrosanct basic crop farmer. Less than 1 percent of Wisconsin's production is in basic crops.

Under the bill, the Wisconsin dairy farmer remains on a flexible-support basis, while the so-called basic crops are put not only at mandatory 90-percent levels but get another boost under the dual parity provisions. He will find his feed costs increased not only by these provisions but by those which place feed grains under a high-level support program. He will watch the corporate farms receive huge checks because of the absence of a limitation on support payments. He will find that there is inadequate protection given to him against increased milk production from acres diverted to the soil bank.

In short, for a small and temporary increase in his milk-support price, he will exchange greatly increased production costs and an increase in competition from the basic crop areas. At the end of the marketing year, when his price reverts back to present levels, he may well be confronted with the same situation he faced when President Eisenhower took office—huge dairy surpluses in Government hands grinding his price down while high basic supports hold his cost of production up.

In the rush to take care of the basic crop areas, largely in the South, the Wisconsin farmer again gets the short end of the stick from a Democratic Congress. It is entirely in keeping with the Demo-

crat record in Wisconsin, where the party orators bemoan the plight of the dairy farmer, while their cohorts in Congress rush through such legislation as the oleo-margarine bill, fight the school milk and brucellosis-extension programs, and pass such discriminatory legislation as this.

It is all the more tragic in view of the fact that the dairy farmer's position has been improving while the worst part of his adjustment to peacetime market conditions has taken place. His feed costs are down, his milk prices are increasing, his income position is steadily improving. The effect of this bill upon the demand for his product, upon its production, upon inventory accumulation in Government hands, now improving, can only be adverse.

I shall vote against the bill as it is presently presented to us in the conference report.

A word, Mr. Speaker, about the motion to recommit that will be made by the Republican leader. Let it be noted that this motion is designed to help the dairy farmer as contrasted with the Democrat proposal which would do him injury.

The increase in the support level of manufacturing milk would be permanent, rather than temporary, and would fix a minimum level of support in excess of that provided under the conference report. The motion would also eliminate other provisions of the report which are harmful to the dairy farmer.

Mr. Speaker, a rollcall on the Republican motion to recommit will clearly show what Members are truly interested in the welfare of the dairy farmer. I shall vote for the motion.

CONFERENCE FARM BILL REQUIRES SECRETARY OF AGRICULTURE TO ACT ON FOOD STAMP PLAN FOR DISTRIBUTION OF SURPLUS

Mrs. SULLIVAN. Mr. Speaker, exactly 2 weeks ago, following Senate passage of the farm bill, I urged the conferees to bring some sense and some reason to the surplus food disposal program by adopting as part of the compromise bill a food stamp plan such as proposed in my bill, H. R. 5105. As I said then:

This would assure getting some of the surplus to those in our country who are in need—many of them actually hungry. Let us feed our own needy as well as the poor of other nations.

We have over 5 million Americans on different forms of public-welfare assistance.

I added:

Each one needs—actually needs some of this surplus food. These are people who do not now get enough to eat. Let us use this blessed surplus—this abundance—to help feed the hungry here at home as well as abroad.

Mr. Speaker, after I made those comments on the House floor 2 weeks ago, the chairman of the House Committee on Agriculture [Mr. COOLEY] graciously invited me to submit some language which could perhaps be incorporated into the conference bill to carry out my proposal. As I had said, the differences between the House bill as originally passed and the Senate version of H. R. 12 were so great that the conferees could have incorporated a specific food stamp plan as part of the disposal machinery.

I know it has been the position of some of the Members who are most expert in agricultural legislation that Secretary Benson already has full authority to establish a food stamp plan under existing law. Whether or not that is so, we all know that the Secretary has taken the flat position that a food stamp plan is not desirable. He prefers the present hit-and-miss system of distribution to the needy, a system which does not have the participation of a number of States including Missouri and which is, according to testimony by those who are participating in the program a cumbersome, ineffectual, and disproportionately expensive one for the States and localities participating.

I give this background, Mr. Speaker, because I think it is very important for us to make clear in connection with this conference bill now before us just what it is we expect the Secretary of Agriculture to do about a food stamp plan. Although the bill does not contain the language I submitted for it which would have created immediately a food stamp plan as provided for in H. R. 5105, the conference bill does provide that the Secretary of Agriculture must submit to Congress within 90 days detailed programs for distribution of surplus food under a food stamp plan or similar program to needy persons in the United States. If he does not have the authority to institute such a program, the bill requires that he submit recommendations for any additional legislation which is necessary.

MUST REPORT ON NEED FOR ANY FURTHER
LEGISLATION ON FOOD STAMPS

Now as I understand it, Mr. Speaker, the language of section 301 (b) does not say to the Secretary of Agriculture, "Tell us, Mr. Secretary, whether you think a food stamp plan would be a good idea." He has already told us many times that he does not like the food stamp idea—that he would rather continue the present hit-and-miss program which is not succeeding in getting this food to the people who need it. We are not asking him, then, to come back in 3 months and tell us what he has been telling us right along about a food stamp plan—that is, that he does not like it and does not want it. No; we are saying instead, "Come back in 3 months, Mr. Secretary, with a plan for the distribution of surpluses under a food stamp arrangement or similar program; and if you need more legislative authority for instituting such a program, tell us exactly how the law should be written."

It is very important, Mr. Speaker, that this distinction be made clear. The wording of the conference bill may be a little ambiguous, I do not know. I do know that the Secretary of Agriculture and his people have been so bitterly opposed to the food stamp idea—preferring to give food abroad in preference to the needy in this country—that if there is any loophole at all in this wording, I am afraid they will seize it to avoid carrying out the congressional intent on a food stamp plan.

That is why, Mr. Speaker, I feel it necessary to have this statement in the RECORD in connection with the confer-

ence bill. As the sponsor of the food-stamp plan, I am hopeful that the language now in the conference bill will be effective in carrying out the congressional intent of having our surplus disposal program so broadened and so improved through "a food-stamp plan or similar program" for distribution through States and local units of Government of future surplus production "to needy persons in the United States, its Territories, and possessions," as to assure not only the prevention of future surpluses but also the distribution of this food to our needy.

SECTION 301 (B) REQUIRES ACTION PROGRAMS

Title III, surplus disposal, in this bill, calling for a program of orderly liquidation of surplus stocks, requires that the Commodity Credit Corporation, as rapidly as possible consistent with its existing authority, and consistent with the price-support program, and consistent with orderly liquidation, shall dispose of all stocks of agricultural commodities held by it. That is section 301 (a).

Section 301 (b) says that the Secretary of Agriculture shall submit to Congress within 90 days detailed programs—not just suggestions or possibilities or alternatives, but detailed programs—with recommendations for any additional legislation needed to carry out such programs for the disposition of surpluses as required by section 301 (a) and for a food stamp plan or similar program for distribution through the States and local units of Government of future surplus production to needy persons. The rest of that section 301 (b) makes it clear that what Congress is asking is for action programs. The Secretary is ordered, in other words, to tell us in 3 months not what he might possibly do but what he is going to do in disposing of this surplus, including disposition under a food stamp plan or similar program for getting this food to the needy in the United States.

While I am sorry that the conferees did not take the language I submitted to establish an immediate food stamp plan with specific procedures outlined, nevertheless I am glad they accepted my plea to provide in this bill for the food-stamp idea.

Mr. REES of Kansas. Mr. Speaker, the farmers of this country, by and large, are fair minded. They want to do the right thing. They do not want the Government, or anybody to do anything for them to which they are not justly entitled. The thing that disturbs the farmers, more than anything is the fact that while industry, business, labor, and other segments are making gains and profits, the farmers are slipping back. Mind you, he does not complain that other groups are making gains. He just does not understand why he is not in position to hold his own in our economy.

It is difficult for the farmer to understand why the big steel companies, for example are expanding and making more profits than ever—even increasing the price of steel, while he is required to take lower prices for his product.

Farmers really don't want "handouts" from their Government. They do read, however, in newspapers that manufacturing companies receive favors by way

of tax incentives for building equipment for the defense of our country. He feels his product, food and fiber, are also essential to the defense of our country. Neither does the farmer object to good wages. He is for it. He does feel he is entitled to somewhere a parity price for his product compared with what he is required to pay for the things he needs to buy. He also hears that steamship lines are provided with subsidies, although not designated by that name.

The farmer observes the stock market is flourishing on the New York Exchange, and higher than in the past. But not so of the livestock market.

It is a little difficult to explain that while railroad stocks are higher and utility costs are more, and stocks cost more, both guaranteed a fair profit by reason of rate charges—and to which they find no fault. They just don't feel they are receiving a fair share of the Nation's income.

According to the USDA report, since 1945 the farmer's share of the consumer's retail food dollar has declined from 55 cents in 1945 to 41 cents in 1955. There are many examples. Sometime ago when wheat was selling for \$2.80 per bushel, a 1 pound loaf of bread sold for 14 cents. While wheat is selling this year for \$2.15 per bushel, a similar loaf sells for 18 cents.

According to a report from the Department of Agriculture, the income of farmers last year was reduced by \$1 billion. The average income was reduced from \$913 to \$860. The income of nonfarmers was more than double this amount. Included in the farm income was consumption of farm products, use of home and other sources.

Mr. Speaker, this statement is not made to indicate in any way that the farmer is griping. Not at all. I do think the farmer has, too many times, been misunderstood. In too many cases he has been unduly criticized. He feels, and rightly so, that he should have a price for his product in the market place on a comparable basis of what he is required to pay for the things he needs to buy. Surely there should be nothing unreasonable about that.

Mr. MAHON. Mr. Speaker, under the procedure being followed by the House today, there is no way to adequately discuss the proposed new farm bill. I think it appropriate, however, to place in the RECORD a few observations.

One might assume from listening to the debate that about everything in the final draft of the new farm bill now before us is either awfully bad or practically perfect, depending upon the point of view of the Members who have addressed us. The truth is that neither the bill, itself, nor the substitute is all bad or all good. We are confronted with limited choices. We can vote for the bill as represented by the conference report before us; we can vote for the substitute; or we can vote against any bill at all.

The final draft of the bill represents a compromise among the conferees. Everybody knows, or should know, that if this bill becomes the law, it will not produce complete satisfaction among the

farmers themselves or among the people. There will be many shortcomings and drawbacks. We are dealing with a difficult and almost insoluble problem. We just have to do the best we can under the circumstances as they exist at the moment. Under these circumstances, I am voting for the bill.

I have in mind many unanswered questions about the pending farm measure, now in final form.

What kind of a soil bank payment will there be to cotton farmers and feed grain farmers who have not been able to make a crop in recent years because of drought?

How fair and equitable will the base acreage figures be for feed grain growers? How will the allotments be determined?

What will be the soil bank position insofar as payments per acre are concerned, of cotton farmers who have had a succession of failures because of drought?

Will abnormal weather conditions be adequately taken into consideration in line with the provision on this subject which is contained in the bill?

How adequate are the provisions in regard to the disposition of farm surpluses?

What will be the division of soil bank payments between landlords and tenants?

When will there be an opportunity to extend beyond the 1-year period the 90 percent of parity support program?

These, and many other questions remain unanswered.

The soil bank plan, while theoretically very sound and attractive, presents a fertile field for friction, abuse, and dissatisfaction among farmers. The whole question is to a considerable extent a matter of administration. The success or failure of the new farm bill will depend to a very, very great extent upon how it is administered, how it is run by the Department of Agriculture. If the program is to work at all, the officials of the Department must approach the problem of administration in a spirit of good will and with a determination to find ways of making the program work rather than finding ways to make the program fail.

Again I say, it should be perfectly obvious that the measure before us today is not the final answer to the problems of agriculture. We must face up to the fact that the compromise measure was in part hastily drawn. We can already foresee inadequacies and others will develop. There are going to be a lot of heartaches and troubles ahead. We must have a sympathetic administration of the program and further efforts must be made to modify the whole farm program, the object being to help the farmer secure a more workable and effective program and a more adequate income.

Mr. GROSS. Mr. Speaker, the move that is being made here this afternoon to recommit this bill to conference is ill advised. It should be defeated and I predict it will be defeated.

That the Secretary of Agriculture could prevail upon Republican leaders in the House to offer a motion to cut price

supports from 90 percent to 82½ percent on corn and other commodities while making a deal to support cotton at 86 to 87 percent, and while supporting wool and sugar at 100 percent or better, is almost beyond belief. It is my belief that the farmers of the Middle West are entitled to at least some of the consideration that is given those in Utah, the Rocky Mountain region, and the South.

I am not satisfied with every provision of the conference report, especially the possibility that wheat may come into competition with corn as a feed grain, but I am convinced that the good that can come from this legislation outweighs that which may prove unsatisfactory.

It is estimated in some quarters that the move to establish 82½ percent of parity could result in a loss of some \$2 billion in gross farm income. There can be no doubt that a cut from 90 to 82½ percent of parity will result in a substantial loss. Whatever the amount it would mean that the farmer was again and deliberately being short-changed. I have no intention of being a party to any such deal.

I trust that the Senate will take immediate action to approve the conference report, and that President Eisenhower will promptly sign the bill into law.

It has been suggested by the Republican leadership in the House that Mr. Eisenhower may veto this bill if enacted. If he does so he must then assume the responsibility for no farm legislation this year.

I hope that next year Congress will give consideration to a revival of the principles of the old McNary-Haugen bill and enact permanent legislation that will assure farmers a minimum of their full costs of production, paid in the market places, and with controls upon marketings rather than acres.

The farm problem has been and still is a political football. It is time to stop offering the farmers panaceas and place this great and vital industry on a footing with all other industries.

Mr. WICKERSHAM. Mr. Speaker, during the 13 years I have been privileged to represent the agricultural area of western Oklahoma, I have kept in close touch with the needs of the farmers. I have farmed myself, and I have served 6 years on the House Agriculture Committee. I have just returned from making an extensive tour of the 23 counties in my district, the Sixth Congressional District of Oklahoma, and I would like to make a few remarks as to the needs and problems of the farmers in our western Oklahoma area.

Our farmers in western Oklahoma have serious doubt as to the value, this year, of the Benson soil-bank plan. Many of the farmers feel that grasslands should be included in this program. However, the vast majority of farmers in the area are for 90 percent of parity.

What we need in Oklahoma is a program that would provide larger allotments to insure economic farm operating units for families. Many of the farmers feel that the allotment should be on a bushel and bale basis and should be increased according to the size of the family.

Our farmers also feel that the loan basis of cotton should not be changed but should be left at ⅞-inch Middling white; that grain sorghum price supports should be as great as price supports on corn; that wheat price supports in Oklahoma should be equivalent to durum wheat price supports in the North; that price supports should be placed on mung beans, castor beans and soybeans; that the peanut allotment should be increased; and that farmers who have had their land in alfalfa a number of years should be allowed to have a cotton or wheat allotment when the alfalfa dies out and has to be plowed under.

Our western Oklahoma farmers are diversified farmers generally speaking. They feel that farmers should be allowed to plant cotton land to wheat and wheat land to cotton in instances where drought, pests, or weather conditions make it impossible to plant wheat or cotton, as the case may be, while the other crop could be planted.

We have had a serious drought in western Oklahoma and need considerable assistance in the form of loans and low-interest rates; assistance in eradicating pests such as greenbugs, boll worms, aphids, wheat lice, army worms, cut worms, web spiders, grasshoppers, and so forth; and better prices for farm commodities.

Our farmers feel that there should be an adjustment in allotments for drought-stricken areas such as western Oklahoma. They also want a better crop insurance program.

Instead of building a big dam in Egypt, the farmers feel that the administration should increase the soil conservation program and Agricultural Conservation Service practices, such as terracing, contouring, the building of ponds, the growing of green manure crops, and so forth; and should enact more upstream flood control measures similar to the Sandstone project on the Washita.

Most of the farmers I am privileged to represent feel that the spread between the producer and consumer is much too great. The price the farmer receives for his products continually decreases, while the price of everything he buys or uses increases.

In view of the fact that our small businesses in western Oklahoma are dependent upon the farm situation and farm income, many of these small businesses find themselves in need of loans. National income is always seven times that of the farm income and anything which adversely affects farm income will adversely affect small business, labor, and eventually large business.

The farmers feel that they should be entitled to make an adjustment on their income tax every 5 years and feel that the exemption for each dependent should be increased to \$1,000.

There has been considerable talk about surpluses. If the administration had tried as hard to sell surplus commodities in the last 3½ years as it has in the last 3½ weeks, there would be no surplus. Furthermore, the administration has failed to give sufficient consideration to the possibility of nationwide drought. It has failed to give sufficient considera-

tion to the possibility of an emergency such as war. In this respect, the international situation does not look very healthy on about a half dozen fronts. The administration has failed to give sufficient consideration to the possibility of increased need on the part of countries with whom we could trade surpluses for strategic materials. It has also failed to use as much of the surplus as should be used to supply the aged and needy people at home.

Before we become too critical of the surplus situation, we should reread some of the verses of the Bible wherein the country was overtaken by pestilence and suffered 7 years of drought. We should bear this in mind. The Lord has blessed us with a bountiful supply and this supply should be considered a blessing and not a curse.

The general public in western Oklahoma feels that regulation should not be promulgated from Washington, but that any program should be administered by local committees familiar with local conditions. The farmers feel that Benson has erred in prejudicing the so-called consumer public of the cities against the farmers when the truth of the matter is that the farmers are the greatest per capita consumer group. Our farmers, laborers, and businessmen in western Oklahoma feel that the buying of pork—half of which was gravy—from the big packers at 65 cents a pound—when the farmers were only given about 12 cents a pound for that pork—by Secretary Benson was not only unjust and unfair both to the farmer and the taxpayer, but was simply ridiculous.

Most of the farmers feel that Secretary Benson should be replaced.

To make matters worse for the farmer, the administration is now making an all-out effort to increase REA rates in violation of sacred contracts and against the sound advice of the directors of the various REA co-ops, against the advice of REA co-op board members, and against the advice of Members of Congress. This will place more hardship upon the farmers.

I will vote with the Democratic leadership for this conference agreement. I will vote for it in view of the fact that it does contain the 90 percent of parity feature and even though I doubt the value of the Benson soil-bank plan. Furthermore, it is my sincere belief that the President will not veto this bill.

Mr. JOHNSON of Wisconsin. Mr. Speaker, although I am not completely satisfied with all of the provisions contained in H. R. 12, I support the Senate and House conferees and I shall vote for adoption of the conference report. In view of the muddled waters in which Congress has been forced to consider our complex agricultural problem, I believe the conferees should be commended for their efforts in drafting a compromise bill at this time.

Frankly speaking, I am amazed that the conferees were able to do as well as they did with the bill. All things considered, I am further astonished that we are even able to vote on a farm bill at this time. I am astounded because of the conditions under which the pro-

posed bill has been formulated and debated in Congress.

I am astounded because in the course of the last 3 years a considerable volume and variety of political dust has been thrown into the eyes of farmers, consumers, the general public, and Members of Congress. During the last 3 years we have had the privilege of watching a cleverly conceived program of calculated confusion.

The first part of the confusion program was marked by an operation designed to pit consumers against farmers on the subject of Government-owned surpluses. The second phase of operation confusion was to array farmers against labor by blaming workers for declining farm income.

Secretary Benson has skillfully worked both sides of the street in order to create confusion in the minds of farmers, consumers, and the general public. I presume it was intended that some of the confusion should be transmitted by constituents to Members of Congress. I suspect some of the confusion has brushed off on us and thus made it more difficult to consider objectively the present farm bill, H. R. 12.

There is one fact about which we cannot be confused as we consider H. R. 12. This fact cannot be distorted or obscured by political dust. The fact I refer to is that net realized farm income has been declining for some time. Net realized farm income has declined at a time when the income of every other group in the economy has increased to a greater or lesser degree.

In the last 3 years alone net realized farm income has declined 20 percent—or a total of \$3.3 billion. Cold statistics show—without dispute—that farmers have been financially hurt; and contrary to the opinion of some people farmers are still hurting. Present USDA forecasts indicate farm income will drop again this year.

It is this grim economic picture of farm income that provides me with my basic reason for voting for H. R. 12. As we now consider the farm bill, I cannot help but recall that 2 years ago the administration and its spokesmen in Congress rushed through—with great speed—another type of aid bill. The bill I refer to contained a provision to give some of our wealthier citizens tax relief on income derived from dividends.

Two years ago the administration took care of the coupon clippers in a hurry. It was hip, hip, and hurrah and the bill was through. The main argument for giving tax relief to the coupon clippers was that this group needed investment money to stimulate our economy. When it comes to farmers, however, the administration is both stubborn and reluctant to act with the same speed and concern. Does the administration feel that farmers do not need income or investment money? Sometimes I feel that the administration does think such is the case.

Specifically speaking, H. R. 12 contains two items of interest to dairy farmers. The first item raises the minimum level of support prices for whole milk and butterfat from the existing minimum

level of 75 percent to 80 percent of parity. The maximum support level is still pegged at 90 percent.

The second item in H. R. 12 provides for supporting manufacturing milk at \$3.25 per hundredweight and butterfat at \$58.6 cents for the market year ending March 31, 1957. The \$3.25 per hundredweight support price in H. R. 12 for manufacturing milk—3.95 percent butterfat—is 85 percent of parity as compared to the February 15, 1956, parity equivalent for manufacturing milk. The \$3.25 figure is 10 cents higher than the \$3.15 support price announced by Secretary Benson on February 14, 1956.

The 58.6 cents a pound support price on butterfat in H. R. 12 is 2.4 cents above the 56.2 cents figure for butterfat in cream announced on February 14, 1956, by Secretary Benson. The 58.6 cent figure works out to 82 percent of parity compared with the announced level of 78 percent on February 14.

H. R. 12, therefore, does represent some improvement on price supports for dairy products. The increased price support for manufacturing milk is for a period of 1 year, the same period as increased price supports for basic commodities.

Dairy farmers have suffered a decline in income during the last 3 years the same as other farmers. Incidentally, since April 1, 1954, dairy price supports have been flexed down to the lowest level by order of the Secretary of Agriculture.

Wisconsin farmers have been particularly hard hit in the last 3 years. National net farm income declined 20 percent in these 3 years as compared to a 30 percent decline in net farm income for Wisconsin. In 1952 total net realized farm income in Wisconsin was \$526,100,000. In 1953—the first year in office of the present administration—net realized farm income in Wisconsin was \$453,600,000. This represents a decline of \$72.5 million over the previous year.

Wisconsin farmers wound up the year of 1954 with another drop in net income. In 1954 net realized farm income in Wisconsin was \$402,700,000. The 1954 drop over 1953 farm income for Wisconsin amounted to \$50.9 million.

Official USDA statistics on Wisconsin's 1955 net farm income are not available at this time. However, I have employed the same formula used by the USDA in computing its estimates. On the basis of this calculation it appears that Wisconsin's net farm income dropped another \$25 million to \$35 million in 1955.

The 3-year total drop in net farm income for Wisconsin ranges from \$148.4 million to \$158.4 million. This sum of money was not spent with our Main Street merchants because the farmers did not have it to spend.

I wonder how concerned the administration would be if 148,000 coupon clippers had each suffered a \$1,000 income cut over the last 3 years. On the basis of the administration's past record, I am sure it would be very much concerned. Perhaps the administration would throw another dividend tax-relief bill in the hopper.

Aside from the income factor, the Nation's dairy farmers have been hurt in another way during the last 3 years. On January 1, 1952, the value of the Nation's dairy herds was \$5.8 billion. On January 1, 1956, the value of dairy herds was \$3.2 billion. This means that dairy farmers have \$2.6 billion less collateral to offer when they go to banks and other lending agencies to borrow money.

Dairy farmers in Wisconsin are obviously not buying Cadillacs—and, for that matter, they have never been able to buy Cadillacs.

Earlier I mentioned that a great deal of political dust had been thrown into the eyes of consumers, farmers, and the general public on the farm problem. Some of the political dust has been blown up on the subject of agricultural surpluses.

At this point I wish to keep the record straight on the amount of dairy surpluses inherited by the present administration. On January 19, 1953—which was the last day in office for the former administration—the total value of dairy surpluses held by Commodity Credit Corporation was \$34,627,000. This proves conclusively that the present administration did not inherit huge and unwieldy stocks of dairy surpluses.

Secretary Benson constantly declares in his speeches that the present agricultural surpluses are the result of programs inaugurated under laws passed by the previous administration. The former Secretary of Agriculture, Mr. Charles Brannan, operated his Department with the same laws.

Mr. Brannan did not spend as much time as Secretary Benson has in talking about surpluses. In numerous speeches—from coast to coast and border to border—Secretary Benson has plaintively talked about surpluses. Perhaps the reason that the former Secretary of Agriculture, Mr. Brannan, did not talk so much about surpluses was that the United States Department of Agriculture spent more time on marketing and disposing surpluses.

H. R. 12 contains provisions for a soil bank program—a program that the administration discovered early this year and has adopted with a fanfare of publicity. This is interesting because last year I was one of several Members of Congress introducing a soil bank bill.

Last year the soil bank bill didn't appeal to the Secretary of Agriculture and the administration. Since last year the administration has had a change of heart and mind. The administration's change of mind was publicly made obvious when thousands of dollars were spent late in February by the National Republican senatorial and congressional committees for newspaper, radio, and TV advertising.

In the Ninth Wisconsin District—which I represent—approximately \$1,600 was spent for newspaper ads and from \$500 to \$1,000 on radio advertising.

The ad in *Successful Farming* cost \$8,000. I do not know how much the advertising blitz cost in other districts, but I imagine this ad program cost at least \$250,000. This is the first time to my knowledge that a political party ever

engaged in lobbying while Congress was in session.

The ads furnished more political dust over the farm problem. For example, the ads led farmers to believe that if Congress passed the soil bank bill by spring planting time hundreds of millions of dollars would be paid out to farmers. This was a deceptive appeal because no explanation was made that this would not be additional income to recoup previous declines in income. The ads did not inform farmers that the payments would only be replacements in income for participating in the soil bank program.

In the 9th Wisconsin district the ads were clearly deceptive in that farmers in my district can only participate to a limited degree in the proposed soil bank program. Farmers in the 9th District of Wisconsin do not raise much in the way of basic crops; therefore they are not able to participate in the acreage reserve program.

The only place where farmers in my district can participate in the soil bank program is under the conservation reserve feature—and even that participation would be on small scale. The ad, then, was clearly political dust in the Ninth Wisconsin District—and on the basis of the limited returns sent to my office I believe farmers in my district recognized it as such.

We are told now through the medium of press conferences that the administration is opposed to H. R. 12 because it is a bad bill. Last year the administration opposed the soil-bank program. This year the same administration includes the soil bank plan in its nine-point farm program. Another item in the administration's nine-point farm program that it did not favor in the past was the gas tax refund for farmers on farm consumed gasoline.

I am beginning to wonder just how reliable the administration's judgment is on farm legislation. Is there any reason to assume that the administration's judgment is any better with respect to H. R. 12? When will the administration realize that the farm situation is critical and that it requires something more concrete and positive than newspaper ads?

I believe the farm situation is critical, and that is why I am supporting H. R. 12.

Mr. MATTHEWS. Mr. Speaker I am going to vote for the conference report on H. R. 12, and I wish to take this opportunity to congratulate my colleagues on the Committee on Agriculture who served on the Conference Committee and who have worked so faithfully to give to us the chance to vote for a measure that I believe will be helpful to the farmers of America. It is needless for me to stress here the points with which all of us are so familiar. We all realize that the farmer's income has been steadily dropping and that this year the total net farmer income will probably be only \$10.5 billion. We also realize the fact that the farmers cannot be expected to go it alone and must have the continuing patient concern of Government, because all other segments of the economy are organized. The farmer is faced with spiraling costs

and he pays more and more for what he buys, but gets less and less for what he sells. We are familiar with the fact that this year the farmer will get only 39 cents of the consumer's dollar and that fact represents to me what is probably the most important single problem facing the farmer. That is, how can he get a fair share of the consumer's dollar?

I used to think that when farm commodities were in great abundance, you could expect the farmer not to get very much for his product and that the consumer would get a break in the market and the costs for farm commodities would be decreased. This is not true, however, and in my own district, the Eighth District of Florida, last year when our farmers could not give watermelons away for week after week, the price continued to be 5 cents a pound in the market here in Washington. That is one reason, Mr. Speaker, I have consistently voted for 90 percent price supports on the basic commodities, for section 32 funds to help livestock producers and the producers of vegetables and other perishable commodities, and for our various marketing agreements which have proved to be so helpful to our farmers. These programs, I sincerely believe, are fair also to the consumer. If I had the time, I could present a most convincing case to show that although the storage costs on our farm commodities which are in surplus represent, naturally, an expense to the taxpayer, that in the overall picture the presence of this surplus offsets a scarcity scare, decreases speculation, and, in my humble opinion, is responsible for saving the consumer many billions of dollars each year. I should like to refer again, as I did last year, to the coffee scarcity scare when the consumers in America in just a few short months had to spend approximately a billion and a half dollars more for coffee because, I think chiefly, the speculators took advantage of the scarcity scare.

I shall not discuss anymore at length the philosophy of the farm program, but I want to repeat again my appreciation for the conferees who have worked so effectively to give us this chance to help the farmers of America.

I should like to stress again that in this conference report that we are considering, we return to the 90-percent price supports on the basic crops and we permit an authorization of an annual appropriation of \$500 million to supplement operations under section 32 which helps farmers who produce perishable crops and, in fact, I think in these two programs we find opportunities for aid to each type of farmer in America. I believe these programs give us the only practical opportunity that is afforded us to give the farmer a fair share of the consumer's dollar and yet, at the same time, to be fair to the consumer. I repeat again this great problem of the farmer getting a fair share of the consumer's dollar is to me the most urgent problem facing the friends of farmers today.

The Soil Bank Act is divided into two parts: the acreage-reserve program and the conservation-reserve program. The acreage-reserve program is designed to

curtail production of specified commodities even below the anticipated production from allotment programs. It applies to wheat, cotton, corn, peanuts, rice, most kinds of tobacco and the feed grains—oats, rye, barley, grains, sorghums, and corn grown in noncommercial corn areas. This program is to last for only 4 crop years, including the present 1956 crop. The objective of this program is to induce farmers to reduce their acreage below their allotments or base acreages and to make no other use of the land so retired. I am particularly pleased that the small farmers, those with small acreage allotments, may have a chance to put all their allotment into the acreage reserve, while those with larger allotments will be limited to a maximum percentage of their allotment. I am particularly concerned with the plight of the small farmers of America because I believe in the Jeffersonian concept of the desirability of land ownership. I believe in preserving the family-type farm in America because it is as necessary to preserve our Republic as any other unit in this great country of ours. I am pleased that I have the honor at the present time to be a member of the Small Farm Committee, which is a Subcommittee of the House Committee on Agriculture.

I regret that the conferees struck out of the Senate amendment the provision which would have limited payments to any one producer not to exceed \$25,000. I believe that the great emphasis on our farm program should be help to the small size farm. I am particularly pleased that the conference report makes special provision in case of unusual weather conditions resulting from drought, flood, hail, wind, or other natural causes. I have just returned from my Eighth District of Florida and conditions are alarmingly similar to Dust Bowl conditions in the Far West. We have been without normal rainfall for 2 years and our tobacco and other crops are in danger of total destruction. I feel that not only should these unusual weather conditions be taken into consideration in granting more favorable terms to our farmers, but that also all redtape administrative rulings should be resolved in favor of the farmer whenever there is the slightest question of a doubt. In my own district there are 6,000 flue-cured farmers whose very livelihood is dependent on flue-cured tobacco. They should be permitted the maximum of leeway in carrying out combination of allotments in order to provide for irrigation and to make it possible for some of them to cooperate and make a cash crop that is so essential to them. All of our farmers, our livestock producers, our vegetable producers, I repeat, should be granted the very maximum of consideration now in the face of drought conditions prevailing in my part of the country, as well as in other sections and also in light of the depressed farm income which is common throughout the Nation.

I am pleased that the conferees have taken out the Senate amendment which would have denied all price supports to a producer who did not participate in the acreage reserve. I think we should stress

to our farmers this fact. I have always believed in voluntary compliance, but, of course, I know we all realize that there are other provisions in our agricultural laws which protect farmers who live up to their obligations as against some few who might not desire to do so.

The conservation-reserve program is the other part of the soil-bank program and is designed to take out of production of crops and put into a conservation state on a semipermanent basis certain acreages of land. This program may be participated in by all farmers. The acreage-reserve program applies only to specified commodities but the conservation program is an overall opportunity for farmers of America. This program would be for a period of not less than 3 years nor more than 10, except for forest areas where the period could run for 15 years. I regret in this program also that a provision in the Senate bill which would have limited payments in any year to any producer to not more than \$7,500 was removed. I feel again that this limitation of payment is most desirable. The conservation reserve, it should be emphasized, is also a voluntary program and there is no required participation as a condition of eligibility for price support. I think this is most desirable and I want to commend the conference committee for doing this, but at the same time recognizing the particular problem that faces our livestock producers. Under the soil-bank program it is likely that millions of acres now in crops will be put into grass. Although the contract signed by the producer placing his acreage into the soil bank will prohibit the using of land for grazing except under emergency conditions and with the permission of the Secretary of Agriculture, it is most important that the Secretary of Agriculture utilizes what I consider to be adequate legal provision relating to contract violation which remain in the bill and which I think will help our livestock producers. We must be very careful in our farm program not to legislate for one segment of the farm economy and against the other. I think that we have in this bill an opportunity to vote for all segments of our agricultural economy as well as for the consumer. I think each year that the soil-bank program is in operation we should be very careful to check and double check the problems of livestock producers to see that those participating in the soil-bank program are not competing with the livestock producers as a result of the program. I promise my wholehearted concern to this program and my determination to try in every way possible to help our livestock producers solve this problem.

The participation of our farmers in the soil-bank program in both the acreage reserve portion and the conservation reserve portion will depend, of course, on a proper incentive. In the case of the acreage reserve, depending on varying conditions, a farmer will be given from \$100 to \$300 an acre to cut out a portion of his tobacco crop, he will be given from \$48 to \$60 an acre on cotton and from \$50 to \$70 an acre on peanuts. I think the Secretary of Agriculture will

have to be as liberal as the law permits in order to provide the inducement for farmers to participate in the soil-bank program. I am pleased that the conference report will permit farmers who already have planted their crops to participate in the acreage reserve program by plowing up these crops. I want to refer again to the severe drought conditions prevailing in my district and in many parts of the country. It is entirely possible that if we proceed now with full speed ahead many of our farmers will find help in this trying period that they are facing.

The conference report in authorizing an appropriation of \$500 million annually for section 32 funds proves again, I think, that we are interested in all of our farmers. Many of our people do not realize that these section 32 funds are a tremendous help to those who are interested in perishable commodities. In an address that I delivered to the House last year, I pointed out that actually up to that time more money had been spent from section 32 funds to help the producers of perishable commodities than had been spent on price support programs for the basic commodities.

Other excellent provisions of the conference report include the establishing of a commission to recommend legislation providing for increased industrial use of agricultural products, the donation to penal and correctional institutions from our surplus food supplies, the prohibition of the use of Federal irrigation, draining and flood-control projects for a period of 3 years to produce surplus crops, the authorization of a more liberal policy in the processing of donated food commodities, the establishment of a special national acreage reserve of a hundred thousand acres of cotton to help particularly our small farmers, a forestry program which I think will be particularly helpful to my section of Florida where industry is based largely on the pine tree, and other provisions that I shall not enumerate.

Full speed ahead, Mr. Speaker. Let us approve this conference report and tell the farmers of America that we have not deserted them. Time is of the essence. Let no man be guilty of a delay which will mean more misery and despair to farmers of America.

Mrs. PFOST. Mr. Speaker, we are all agreed that farm income and farm prices must be raised. The valiant work of our farm-bill conferees has given Members of this body an opportunity to put more money in the farmers' pockets—and to do it immediately.

We have a chance to place major crops back under 90-percent-of-parity price supports and to peg milk prices at a 10-cent increase per hundredweight over present levels. All in all, we can stiffen price props under 10 different farm commodities.

I do not see how any Member who has at heart the welfare of the American farmer can vote against this conference report. In fact, I do not see how any Member who has at heart the welfare of the American worker or the American businessman can vote against it. Farm prosperity is the foundation of prosperity for us all.

Mr. Speaker, the net income of the American farmer has gone down \$3 billion since the Republicans came into office. It fell a cool billion dollars last year.

DAIRY LOSSES STAGGERING

The American dairy industry has lost almost a billion dollars since April 1, 1954, when Secretary of Agriculture Benson dropped dairy price supports from 90 to 75 percent of parity. Milk producers in my State of Idaho have lost \$14 million since that fateful April Fool's Day. Milk producers in a single creamery in my home county—the Dairymen's Co-op Creamery of Boise Valley—have lost almost \$2 million in 21 months.

On top of the loss in milk income, Idaho dairy cows have decreased in value approximately \$75 a head. This means an additional loss of about \$18 million to our dairy farmers—a staggering loss for one group in one small State.

SURPLUSES GO UP UNDER GOP

You have all heard the argument that reducing the support level on farm commodities, and particularly on dairy products, would reduce production. Many of us thought it would never work, and now we know it will not.

As prices dropped, farmers had to produce more to meet their obligations. Thus, lower flexible price supports have not only hit farmers in their pocketbooks, but have helped build up the surpluses about which the Republican administration constantly complains.

Nearly all of the farm surpluses have accumulated since the Republicans took office. For example, there is 61 times as much butter stored in Government warehouses today as there was in 1952. There is 11 times as much barley in storage, 3 times as much corn, 2½ times as much wheat, almost 5 times as much oats, and 3 times as many soybeans.

At the time Mr. Benson dropped dairy price supports it was forecast that lower milk prices would mean increased milk consumption. This argument has been exploded. Although milk production has increased 3 billion pounds in the last 2 years, the per capita milk consumption has gone up less than 1 percent.

IDAHO FARM PRICES SAGGING

Mr. Speaker, people on Idaho's family-size farms are literally being pressed to the wall by prices they have to take for their products today. Let me read you some of these prices compared to those our Idaho farmers were receiving in January 1953, when the Republicans took the helm in Washington:

	Unit	Inauguration (Jan. 15, 1953)	Now (Feb. 15, 1956)
Wheat.....	Bushel.....	\$1.94	\$1.83
Rye.....	do.....	1.70	1.20
Corn.....	do.....	1.80	1.55
Oats.....	do.....	.92	.66
Barley.....	do.....	1.34	.88
Potatoes.....	do.....	1.45	.85
Beans, dry, edible.....	Hundredweight.....	7.90	5.70
Milk.....	do.....	4.40	3.55
Hogs.....	do.....	18.80	12.60
Beef cattle.....	do.....	20.10	12.90
Veal calves.....	do.....	21.90	16.50
Milk cows.....	Per head.....	230.00	155.00
Eggs.....	Dozen.....	.490	.350

No wonder farm real estate mortgage debt is up 29 percent over last year, and the number of farm loans has increased 9 percent.

FARMERS CAUGHT IN SQUEEZE

Farmers in Idaho and elsewhere are caught in a gigantic squeeze between falling farm prices and high costs of production and family living expenses. Parity—which measures the relationship between farm prices and costs—has fallen to a 14 year low.

With average per capita farm income at \$865 as against a national average for nonfarm people of \$1,913, it is easy to see what is happening to farm buying power. Nearly one-third of the total farm income comes from nonfarm sources. Some member of the family has to work off the farm to keep the family on the farm. It is not suprising that a million farmers left their farms last year.

If the Republican flexible price support program had helped the consumer there might be some excuse for it. But we all know that food prices in retail stores have changed very little. And it is an unhappy fact that the farmer is getting an even smaller share of the consumer's food dollar than he was before price supports were lowered. At inauguration time in 1953, the farmer got about 47 cents out of each consumer's dollar; today he gets only 38 cents.

In many instances, there is absolutely no relationship between what the farmer gets and the consumer pays. Ten years ago when wheat was bringing \$3 a bushel, bread cost approximately 13 cents a pound. Today, wheat brings \$2 a bushel, yet a pound loaf of bread costs about 18 cents.

During the past year the price of live hogs has dropped 38 percent. Yet pork chops have dropped only 14 cents a pound.

If the drop in farm prices is not helping the consumer, who is it helping? Well, we know for one thing there has been a rise in the profits of many food processors. Meat packers, for example, have showed a big income gain.

WHO IS BEING SUBSIDIZED?

Twenty years of farm price supports under the Democrats, with basic crops supported at 90 to over 100 percent of parity, cost about a billion dollars. The bulk of this loss was on nonbasics.

In the 2½ years under the Republicans, with flexible, or lower, price supports in effect during part of that time, our price-support program has cost us over \$1½ billion—or more than it cost during 20 Democratic years.

Everybody admits that our farm price-support program has been expensive. But it has never reached more than a fraction of the payments made to industry to enable it to reconvert after the war. A subsidy study prepared by the House Agriculture Committee, which was published in January 1954, showed that business had received almost 40 times as much in subsidies as agriculture had.

SOIL BANK IS TOO SLOW

The Eisenhower administration paid little attention to the farmer's plight un-

til someone in the White House got a 1956 calendar and remembered this is election year. Then they trotted out the soil bank to rescue the farmer with cash payments, and they spent hundreds of thousands of dollars on newspaper ads and radio announcements to urge Congress to vote for these payments before planting time. The fact that the Republican Administration turned down two soil bank bills by Democratic Congressmen last year makes many of us wonder whether the Republicans are more concerned with the harvesting of crops or the harvesting of votes.

I think all of us agree that the soil bank has merit as a long-range panacea for some of our farm ills—but the emergency is here and now.

The only new proposal the administration has made this year to help the farmer is to exempt fuel used on the farms from Federal gasoline tax. I was happy to support this bill. I cannot resist pointing out, however, that this proposal also came in a leap year—when the Republicans became strangely liberal. The administration actually opposed this same proposal a year ago.

Mr. Speaker, last session—May 3, 1955—I spoke and voted in favor of a bill to increase dairy supports and to replace flexible price supports with firm 90-percent-of-parity supports on basic commodities. As we all know, the House passed that bill, but the Senate took no action. A year has rolled by and the American farmer is in deeper trouble. His trouble is spreading to others.

THE PRESTON STORY

Mr. Speaker, one of the best arguments for passing this bill lies in what has happened in Secretary of Agriculture Benson's native town, Preston, Idaho. Secretary Benson was born a couple of miles from Preston, which is the Franklin County seat, and grew up there. He later served as county agricultural agent.

Preston is a typical southeastern Idaho community of about 3,500 people. It is surrounded by highly diversified farms which raise wheat, sugar beets, vegetables, feed, cattle, hogs, poultry, and is a dairying center. The business houses depend almost entirely upon farm trade for their existence.

Mr. Speaker, during the past 2 years nine major businesses have failed in Preston, a department store, 2 large grocery stores, 2 hardware stores, an automobile agency selling a low-priced popular car, an electronics shop, a sweet shop, and a cafe. The city dads are so worried they have taken out the parking meters in an effort to get the farm folks to come to town and shop.

The Federal Land Bank in Preston reports they did a land office business last year—making the largest number of loans in their history, with an enormous increase in mortgages on family-sized farms.

Mr. Speaker, what is happening in Preston, Idaho, is happening in farm communities throughout the Nation. And we all know that when farm buying power goes down, business failures soar and unemployment lines form. A farm recession is like an octopus—it reaches out and drags us all in.

Again I repeat—with net farm income down \$3 billion since 1952, and with small business failures up, there is not a single Member of this body who can afford to vote for less than 90 percent of parity—and it should be 100 percent.

The Preston story is like a scarecrow in the field—a warning to both the Congress and the administration.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. POAGE], vice chairman of our great committee.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The bill as it passed the Senate contained what is known as the Chavez amendment which would increase the acreage of growers of Valencia and Virginia peanuts. The report makes no mention of it but I know that the amendment was deleted by the conferees. I have been advised as to the reasons for it. Will the gentleman please tell the House for the RECORD the thinking of the conferees in eliminating that particular amendment?

Mr. POAGE. The conferees understood, and we do understand, that the Secretary has that power now. The general law gives him the right to add acreage any time if there is a shortage of any type of peanuts. That includes the Valencia. He has a right to increase the acreage of Valencias any time he wants to.

Mr. FERNANDEZ. There is a shortage of Valencia peanuts and Virginia peanuts at the present time. I thank the gentleman.

Mr. POAGE. Mr. Speaker, I want to try to clear up 1 or 2 misunderstandings that seem to have arisen in the course of this debate. There has been a great deal of discussion here about what we are trying to accomplish. It seems that there is considerable misunderstanding of what we are trying to accomplish by this legislation.

We are endeavoring in this bill to give some type of aid to our farmers. We are not trying in this bill primarily to reduce Government expenditures although we want to reduce Government expenditures everywhere we can. We are with this bill trying to pass a measure to help the farmers of America. You cannot help the farmers of America simply by taking some more of their land out of cultivation, even though you pay them for the loss they sustain on the land that you take out of production because that merely leaves the farmers where they were financially.

If you have nothing but the soil bank, if you have nothing in the bill except what the motion to recommit would leave in the bill, you will, it is true, have a provision in for the expenditure of \$1,200 million that is the cost of the soil bank, but it will not be \$1,200 million of added income to farmers. It will be \$1,200 million of replacement of money that you have taken away from the farmers. So if you simply pass this motion to recommit you will burden the taxpayers with that amount of additional taxes, new and additional over

and above what we have already. You may, it is true, use this money to pay the farmer for the crops he was unable to produce because of placing his land in the soil bank, but you have added nothing to farm income. The only way you can help the farmers is to add to their income. This conference report as it stands adds to their income. The motion to recommit would add nothing.

There is this misunderstanding about whom we are trying to help. The conferees want to help the farmers. As to the motion to recommit, I do not know whom it will help. It will not help the taxpayers. It will add more than a billion dollars to their burden. It alone will not help the farmers. It will spend more tax money but it will not put more money in the farmers' pockets.

Then there was the implication that this bill did nothing to reduce surpluses. Actually, for the first time in our farm history we have a bill brought before us that has an effective way of reducing the production of corn and feed grains. As the gentleman representing the minority told you, the corn farmers have not complied in the past. Why? Because it was not to their financial interest to stay within their acreage allotments. They are just like everybody else. They do the thing they consider to their own interest. Under this bill the corn farmer is going to get paid if he complies with his allotments, not only for putting his land in the soil bank but also he is assured 90 percent of parity price support on his corn in return for his acreage reduction. I think he will reduce his production because he will decide it is profitable to do so.

And what about the feed grain farmer? He has got to reduce his acreage by 15 percent in order to get anything under this bill. This feed grain farmer that we were told about who has been producing a surplus unquestionably is going to have some inducement to reduce his acreage in feed grains. This is the first time we have ever offered him any such inducement. On the other hand, if we should vote to reject this conference report and accept the motion by the gentleman from Massachusetts, we would have absolutely nothing to encourage anybody to reduce his feed grain acreage. Thus at the same time we are giving the farmers of America hope of a fair price. We are giving to the taxpayers of America hope that we will have a better balance in our production. By this bill we offer something to the farmer for reducing, and that is the way to get reduction; that is, the way we ought to get reduction is to offer your farmer something which is to his advantage to reduce, and that is what this bill does. This is what we have so often overlooked. We have said "Go on and reduce and get nothing in return." That is unfair. This bill tries to correct that.

I would like to call your attention to the fact that in the past we have always been able to secure reductions when we have been willing to give the farmer a reasonable return for making reductions, but when we have reduced our support prices we have found we did

not get those reductions in production. When the present Secretary of Agriculture became Secretary there was a net profit of \$13 million in the price-support account of six basic commodities. Today we have lower supports but there is a loss of more than half a billion on these same commodities. He reduced the support on dairy products, and he sustained a loss of \$830 million on dairy products within the past 3 years.

In other words, the lesson of history is clear. If you want to assure that we will bring a balance of production and demand, provide for our farmers a reasonable return on what you allow them to grow, and you can get that balance. We have done it throughout the years in the past. When we ignore that fundamental law of human nature and attempt to require the farmer to reduce without giving him anything in return, we then get more, not less, production. The farmer has no recourse in the face of falling prices except to increase his volume of production or face a lower standard of living.

Mr. LOVRE. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from South Dakota.

Mr. LOVRE. I want to commend the gentleman and all the conferees for a job well done.

May I ask the gentleman this question? Is it not true that today, with the average hourly rate of pay for labor, you can buy more food than at any other time in the history of our country?

Mr. POAGE. That is exactly true. And it is also true that when these gentlemen talk about raising the price of bread because perchance we are trying to give the wheat farmer a livelihood they say nothing of the fact that the price of wheat has dropped approximately one-third in the last 10 years and the price of bread has gone up by just about the same figure. Surely there has been little relation between the farmer's price and the consumer's price.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, the House knows that the gentleman from Texas [Mr. POAGE] has been in the forefront of the fight for agriculture all these years. I want to say, too, that anybody who votes for the motion to recommit here today will be voting to take away \$2 billion at least in gross income to the American farmer. And if they do that, let them vote their own conscience.

Mr. POAGE. They will indeed be voting to take away somewhere around \$2 billion of income to the American farmer and at the same time adding the \$1,200 million of additional cost to the taxpayers without any compensating return to the farmers of America. It is just bad arithmetic; it is just bad public policy to try to do that sort of thing.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. COOLEY. Mr. Speaker, I yield the remainder of my time, 4 minutes, to

the gentleman from Massachusetts [Mr. McCORMACK].

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, as one who does not have a farm in his district I think I can view this proposed legislation and other farm legislation from a purely objective angle. I see 165 million Americans. I see a great Nation consisting of 48 States, north, east, south, and west, with their diverse problems, but all Americans and all interested in the national interest and in the welfare of our country and our people.

I know that the history of depressions of the past 150 years has shown that they start first when there is a depressed financial condition among our farmers and in our agricultural communities. I know that when we find our farmers depressed economically, no matter how plentiful positions may be in the factories and in the cities, it is only a matter of a year or 2 years when the reduced purchasing power of the farmers has an effect upon the worker in the factory, the result being unemployment and economic distress in the cities.

We cannot separate the farmers from the workers nor the workers from the farmers. Anyone who makes such an appeal engages in what I have termed heretofore economic bigotry, arraying American against American because of a difference of residence, so far as the sections of our country are concerned; arraying Americans against Americans because of their economic income, arraying Americans toiling on the soil against those who toil in the factory.

We have one national economy. We are not going to solve the farm problem by reducing the wages of the workers in the factory. This is an overall picture. The man who lives in the city and the man who works in the factory may not realize it, but his security of employment is linked up with the economic prosperity of our farmers and the farmer's economic prosperity is linked up with the security of position of the worker in the factory and in the city.

The decline in the farm income during the past 3 or 4 years is a grave problem not only to the farmer but to our economy as a whole. We know that during the last 3 or 4 years there has been a decline of at least \$1 billion a year in the net income of our agricultural community. I know as a student of depressions in our country that that is not a healthy sign. I know it is only a matter of time when there will be a catch-up in the cities. I know as a matter of national policy we have to do something to keep a dynamic agriculture. I know that the farmer buys in a protected market and sells his agricultural surpluses in an unprotected market.

I recognize and I support, as do other Members, proper protection for our industries, but proper protection for them has an effect upon our agricultural community. Speaking for myself, I recognize the fact that in this day and era, with our intense economic system and with distance eliminated in the world through the rapidity of travel, there must be some compensating considerations to

our farmers in order for America to keep an active and dynamic agriculture.

This bill is not perfect, no, but under the circumstances as I see them, it is about the best bill the House conferees could produce and bring to this body. I hope the motion to recommit will be defeated and the conference report agreed to.

The SPEAKER. Under the unanimous-consent agreement of April 9, the previous question on the conference report is considered as ordered.

Mr. MARTIN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARTIN moves to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to insist on the following:

1. Amend section 101 by striking "90 percent" and inserting in lieu thereof "not less than 82½ percent."
2. Amend section 103 to read:
"The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: 'The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at not less than 80 percent nor more than 90 percent of the parity price therefor using a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive.'"
3. Strike section 104.
4. Strike subsection (d) of section 408.
5. Strike all of title V.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Since the motion to recommit applies to several titles and sections of the bill, is it possible under the rules of the House to get a separate vote on the various amendments that seek to strike certain matter from the bill?

The SPEAKER. A motion to recommit is not subject to division.

Mr. MARTIN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

Mr. COOLEY. Mr. Speaker, I ask for the yeas and nays on the motion to recommit.

Mr. MARTIN. Mr. Speaker, I join with the gentleman from North Carolina in that request.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 238, not voting 14, as follows:

[Roll No. 23]
YEAS—181

Adair	Boland	Chenoweth
Alger	Bolton	Chiperfield
Allen, Calif.	Frances P.	Church
Allen, Ill.	Bolton	Clevenger
Arends	Oliver P.	Cole
Ashley	Bosch	Corbett
Auchincloss	Bow	Coudert
Ayres	Bray	Cramer
Baker	Brown, Ohio	Cretella
Baldwin	Brownson	Crumpacker
Bass, N. H.	Broyhill	Cunningham
Bates	Budge	Curtis, Mass.
Baumhart	Bush	Curtis, Mo.
Beamer	Byrnes, Wis.	Dague
Becker	Canfield	Davis, Wis.
Bentley	Carrigg	Dawson, Utah
Betts	Cederberg	Derounian

Devereux	Kearns	Sadlak
Dixon	Keating	St. George
Dondero	Kilburn	Saylor
Donohue	King, Pa.	Schenck
Dorn, N. Y.	Knox	Scherer
Ellsworth	Laird	Schwengel
Fenton	Latham	Scrivner
Fino	Lipscomb	Scudder
Fjare	McConnell	Seely-Brown
Fogarty	McCulloch	Sheehan
Ford	McDonough	Short
Frelinghuysen	McGregor	Siler
Fulton	McIntire	Simpson, Ill.
Gavin	Macdonald	Simpson, Pa.
Gubser	Mack, Ill.	Smith, Wis.
Gwinn	Mack, Wash.	Taber
Hale	Maillard	Taylor
Haley	Martin	Teague, Calif.
Halleck	Mason	Thompson,
Hand	Meador	Mich.
Harden	Morrow	Thomson, Wyo.
Harrison, Nebr.	Miller, Md.	Udall
Harvey	Miller, N. Y.	Utt
Hayworth	Minshall	Van Pelt
Henderson	Morano	Van Zandt
Herlong	Mumma	Velde
Heselton	Nicholson	Vorys
Hess	Norblad	Vursell
Hiestand	Ostertag	Wainwright
Hill	Patterson	Westland
Hillings	Pelly	Wharton
Hinshaw	Philbin	Widnall
Hoffman, Ill.	Phillips	Wigglesworth
Hoffman, Mich.	Pillion	Williams, N. J.
Holmes	Poff	Williams, N. Y.
Holt	Prouty	Wilson, Calif.
Hosmer	Quigley	Wilson, Ind.
Hyde	Radwan	Withrow
Jackson	Ray	Wolcott
James	Reece, Tenn.	Wolverton
Jenkins	Reed, N. Y.	Yates
Johansen	Rhodes, Ariz.	Young
Judd	Riehlman	Younger
Kean	Robison, Ky.	
Kearney	Rogers, Mass.	

NAYS—238

Abbitt	Deane	Hull
Abernethy	Delaney	Ikard
Addonizio	Dempsey	Jarman
Albert	Denton	Jennings
Alexander	Dies	Jensen
Andersen,	Diggs	Johnson, Wis.
H. Carl	Dingell	Jonas
Andresen,	Dodd	Jones, Ala.
August H.	Dollinger	Jones, Mo.
Andrews	Dolliver	Jones, N. C.
Anfuso	Donovan	Karsten
Ashmore	Dorn, S. C.	Kee
Aspinall	Dowdy	Kelley, Pa.
Avery	Doyle	Kelly, N. Y.
Balley	Durham	Keogh
Barden	Eberharter	Kilday
Barrett	Edmondson	Kilgore
Bass, Tenn.	Elliott	King, Calif.
Belcher	Engle	Kirwan
Bell	Ewins	Klein
Bennett, Fla.	Fallon	Kluczynski
Bennett, Mich.	Fascell	Knutson
Berry	Feighan	Krueger
Blatnik	Fernandez	Landrum
Blitch	Fisher	Lane
Boggs	Flood	Lanham
Bolling	Flynt	Lankford
Bonner	Forand	LeCompte
Bowler	Forrester	Lesinski
Boykin	Fountain	Long
Boyle	Frazier	Lovre
Brooks, La.	Friedel	McCarthy
Brooks, Tex.	Garmatz	McCormack
Brown, Ga.	Gary	McDowell
Buckley	Gathings	McMillan
Burdick	George	Machrowicz
Burleson	Granahan	Madden
Burnside	Gray	Magnuson
Byrd	Green, Oreg.	Mahon
Byrne, Pa.	Green, Pa.	Marshall
Cannon	Gregory	Matthews
Carlyle	Griffiths	Metcalf
Carnahan	Gross	Miller, Nebr.
Celler	Hagen	Mills
Chase	Hardy	Morgan
Chatham	Harris	Morrison
Chelf	Harrison, Va.	Moss
Christopher	Hays, Ark.	Moulder
Chudoff	Hays, Ohio	Multer
Clark	Healey	Murray, Ill.
Colmer	Hébert	Murray, Tenn.
Cooley	Hoeven	Natcher
Coon	Holifield	Norrell
Cooper	Holland	O'Brien, Ill.
Davidson	Holtzman	O'Brien, N. Y.
Davis, Ga.	Hope	O'Hara, Ill.
Davis, Tenn.	Horan	O'Konski
Dawson, Ill.	Huddleston	O'Neill

Passman
Patman
Perkins
Pfost
Plicher
Poage
Polk
Preston
Price
Priest
Rabaut
Rains
Rees, Kans.
Reuss
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Rodino
Rogers, Colo.

Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Springer
Stagers
Steed
Sullivan
Talle
Teague, Tex.

Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Vanik
Vinson
Walter
Watts
Weaver
Whitten
Wickersham
Wier
Williams, Miss.
Willis
Winstead
Wright
Zablocki
Zelenko

NOT VOTING—14

Gamble
Gentry
Gordon
Grant
Johnson, Calif.

McVey
Miller, Calif.
Mollohan
Nelson
O'Hara, Minn.

Osmers
Powell
Scott
Tollefson

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Johnson of California for, with Mr. Gordon against.

Mr. Gamble for, with Mr. Tollefson against.

Mr. Osmers for, with Mr. Grant against.

Mr. Scott for, with Mr. Miller of California against.

Mr. McVey for, with Mr. Mollohan against.

Until further notice:

Mr. Gentry with Mr. O'Hara of Minnesota.
Mr. Powell with Mr. Nelson.

Mr. COUDERT changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

Mr. COOLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 237, nays 181, not voting 15, as follows:

[Roll No. 24]

YEAS—237

Abbitt
Abernethy
Adair
Addonizio
Albert
Alexander
Andersen,
H. Carl
Andresen,
August H.
Andrews
Anfuso
Ashley
Ashmore
Aspinall
Avery
Bailey
Baker
Barden
Barrett
Bass, Tenn.
Baumhart
Beamer
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Blatnik
Blitch
Boggs
Bolling
Bolton,
Oliver P.
Bonner

Bow
Bowler
Boykin
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Buckley
Budge
Burdick
Burlison
Byrd
Byrne, Pa.
Cannon
Carlyle
Carnahan
Celler
Chase
Chatham
Chelf
Chenoweth
Christopher
Chudoff
Colmer
Cooley
Coon
Cooper
Cunningham
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane

Dempsey
Denton
Dies
Diggs
Dingell
Dollinger
Dolliver
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Evins
Feighan
Fernandez
Fisher
Flood
Flynt
Forrester
Fountain
Frazier
Garmatz
Gathings
George
Granahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gross
Hardy
Harris

Harrison, Nebr.
Harvey
Hays, Ark.
Hays, Ohio
Hayworth
Healey
Henderson
Hill
Hoeven
Hollfield
Holland
Hope
Horan
Huddleston
Hull
Ikard
Jarman
Jenkins
Jennings
Jensen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Keogh
Kilday
Kilgore
King, Calif.
Kirwan
Klein
Kluczynski
Knutson
Krueger
Landrum
Lanham
Lankford
LeCompte
Lesinski
Long
Lovre
McCarthy

McCormack
McDowell
McMillan
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Matthews
Metcalf
Miller, Md.
Miller, Nebr.
Mills
Morgan
Morrison
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
Passman
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Preston
Price
Priest
Quigley
Rabaut
Rains
Rees, Kans.
Reuss
Riley
Rivers
Roberts

Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Schenck
Schwengel
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Simpson, Ill.
Sisk
Smith, Kans.
Smith, Miss.
Spence
Springer
Steed
Sullivan
Talle
Teague, Tex.
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Vanik
Vinson
Watts
Weaver
Whitten
Wickersham
Wier
Williams, Miss.
Willis
Wilson, Ind.
Winstead
Wright
Zablocki
Zelenko

NAYS—181

Alger
Allen, Calif.
Allen, Ill.
Arends
Auchincloss
Ayres
Baldwin
Bass, N. H.
Bates
Becker
Bentley
Betts
Boland
Bolton,
Frances P.
Bosch
Brownson
Broyhill
Burnside
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chiperfield
Church
Clark
Clevenger
Cole
Corbett
Coudert
Cramer
Cretella
Crumpacker
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Wis.
Dawson, Utah
Delaney
Derounian
Devereux
Dixon
Dodd
Dondro
Donohue
Donovan
Dorn, N. Y.
Ellsworth
Engle
Fallon
Fascell
Fenton
Fino
Flare
Fogarty
Forand
Ford

Frelinghuysen
Friedel
Fulton
Gary
Gavin
Gubser
Gwinn
Hagen
Hale
Haley
Halleck
Hand
Harden
Harrison, Va.
Hébert
Herlong
Heseltan
Hess
Hiestand
Hillings
Hinshaw
Hoffman, Ill.
Hoffman, Mich.
Holmes
Holt
Holtzman
Hosmer
Hyde
Jackson
James
Johansen
Judd
Kean
Kearney
Kearns
Keating
Kelly, N. Y.
Kilburn
King, Pa.
Knox
Laird
Lane
Latham
Lipscomb
McConnell
McCulloch
McDonough
McGregor
McIntire
Macdonald
Mack, Wash.
Mailliard
Martin
Mason
Meador
Morrow
Miller, N. Y.
Minshall

Morano
Mumma
Nicholson
Norblad
O'Neill
Ostertag
Patterson
Pelly
Philbin
Phillips
Pillion
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Reed, N. Y.
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Robeson, Va.
Robison, Ky.
Rogers, Fla.
Rogers, Mass.
Sadlak
St. George
Saylor
Scherer
Scrivener
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Pa.
Smith, Va.
Smith, Wis.
Stagers
Taber
Taylor
Teague, Calif.
Thomas
Thompson,
Mich.
Thomson, Wyo.
Udall
Utt
Van Pelt
Van Zandt
Velde
Vorys
Vursell
Wainwright
Walter
Westland
Wharton
Widnall
Wigglesworth

Williams, N. J.
Williams, N. Y.
Wilson, Calif.

Withrow
Wolcott
Wolverton

Yates
Young
Younger

NOT VOTING—15

Gamble
Gentry
Gordon
Grant
Johnson, Calif.

McVey
Miller, Calif.
Mollohan
Nelson
O'Hara, Minn.

Osmers
Powell
Richards
Scott
Tollefson

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gordon for, with Mr. Johnson of California against.

Mr. Tollefson for, with Mr. Gamble against.

Mr. Grant for, with Mr. Osmers against.
Mr. Miller of California for, with Mr. Scott against.

Mr. Powell for, with Mr. McVey against.

Until further notice:

Mr. Gentry with Mr. O'Hara of Minnesota.
Mr. Mollohan with Mr. Nelson.

Mr. SHORT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WOMEN'S PREFERENCES IN HOMES

Mr. CRETELLA asked and was given permission to address the House for 1 minute.)

Mr. CRETELLA. Mr. Speaker, no mere man, at least none of my acquaintance, has the temerity to state unequivocally that he is fully acquainted with the thought processes of woman. One of our colleagues, less timorous than most and certainly more vocal, indicates that what women think, particularly with regard to the choice of a home they wish to occupy, is "silly and useless."

Many things women are: frugal, imaginative, perceptive, sometimes stubborn, and loquacious. They are not, as a gender, silly or useless, nor are the benefits we have all enjoyed as fruits of the feminine thought processes.

I commend Housing Administrator Cole for venturing into the uncharted thought processes of women's preferences in homes, and admire his courage. This is said with no thought of levity as I sincerely believe that a conclave of 100 women, as is contemplated in the program of a Women's Housing Congress, will be of substantial benefit to all concerned.

The housing industry groups, dependent upon Government for direction and stimulation of their commodities, are, with Government, in turn dependent upon consumer choice for a healthy economy. You build for the market, or you fail. Women exercise an influence upon the housing market far beyond their numbers.

That the planned Women's Congress on Housing will be of assistance to the Government agencies concerned is buttressed by the recent statement by FHA Commissioner Norman P. Mason, who said:

We ought to know what they (women) are thinking * * * the housewives and homemakers are a proper part of this picture.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

April 17, 1956
April 16, 1956
84th-2nd, No. 61

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HIGHLIGHTS: House received President's veto message on farm bill. Rep. Laird and others commended President's veto of farm bill. House sent supplemental appropriation bill to conference. House passed bill to regulate coloring of oranges. Several Senators commended and others criticized President's veto of farm bill. Senate debated bill to increase U. S. contributions to FAO. Senate committee reported bill providing construction of small flood-control projects. Sen. Kerr and 6 Reps. introduced, and Rep. Edmondson discussed, bills to control destructive aphids.

HOUSE

1. FARM PROGRAM. Received the President's veto message on H. R. 12, the farm bill (H. Doc. 380). Majority Leader McCormack scheduled further consideration of the message for Wed., Apr. 18. p. 5686

Rep. Laird commended the President's veto of H. R. 12, the farm bill, and cited the dairy industry's indebtedness to the President for his action. He inserted a letter to the President from Reps. Smith, Byrnes, Davis, Withrow, Van Pelt, and himself (all of Wis.) commending the President's action. p. 5727

2. APPROPRIATIONS. Conferees were appointed on H. R. 10004, the supplemental appropriation bill. p. 5679 Senate conferees were appointed on Apr. 12.

3. FLOOD CONTROL. Rep. Davis, Tenn., announced the schedule of consideration of certain flood control projects in hearings to be held by the Flood Control Subcommittee of the Public Works Committee. p. 5681

4. FARM LOANS. Rep. Keating inserted a letter from the Farmers Production Credit Association of Western New York supporting H. R. 10285, H. R. 10286, H. R. 10315, and S. 3564, all relating to production credit banks and associations. p. 5683

5. SURPLUS COMMODITIES. Rep. Hill noted with approval the increased disposal of farm surpluses by this Department to domestic and foreign programs. p. 5684
6. LAND TRANSFER. Passed over, at the request of Rep. Aspinall, H. R. 6815, to provide for the orderly disposition of certain lands acquired under Title III of the Bankhead-Jones Farm Tenant Act. p. 5688
7. RECORDS. Passed over, at the request of Rep. Cunningham, S. 2364, to permit GSA to prescribe policies and principles (instead of merely developing standards, as provided in existing law) to be followed by Government departments and agencies in connection with records management, and to authorize GSA to direct and effect the transfer to the National Archives of any Federal records that have been in existence for over 50 years. p. 5688
8. FRUITS. Passed as reported H. R. 7732, to amend the Federal Food, Drug, and Cosmetic Act so as to provide for the regulation of the use of coal tar coloring for the outside of certain oranges. p. 5696
9. ACCOUNTING; BUDGETING. Both Houses received from this Department a report of the over-obligation of two allotments by the USDA; to the Appropriations Committees. pp. 5616, 5731
10. RECLAMATION. Received from the Interior Department a report on the Little Wood River project, Ida. (H. Doc. 381); to the Interior and Insular Affairs Committee. p. 5731
11. CROP INSURANCE. Received from the Comptroller General a report on the audit of the FCIC for the 1955 fiscal year (H. Doc. 382); to the Government Operations Committee. p. 5731
12. PERSONNEL. Conferees were appointed on H. R. 5862, to confer jurisdiction upon the U. S. District Courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. p. 5679

SENATE

13. FARM PROGRAM. Several Senators commended and others criticized the President's veto of H. R. 12, the farm bill. pp. 5644, 45, 56, 62
14. FAO. Began debate on S. J. Res. 97, which increased the ceiling on the U. S. annual contribution to FAO from \$2 million to \$3 million. Agreed to an amendment by Sen. Mansfield which provides that payments by the U. S. to the FAO and to the International Labor Organization shall not exceed $33\frac{1}{2}$ percent of the total assessed budget of those organizations. pp. 5645, 63
15. FLOOD CONTROL. The Public Works Committee reported without amendment S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects. (S. Rept. 1732). p. 5625
16. APPROPRIATIONS. The Appropriations Committee was authorized to file its report on H. R. 9390, the Interior Department appropriation bill, during recess of the Senate on Tues. (p. 5645). The subcommittee reported this bill to the full Committee (p. D340).

AGRICULTURAL ACT OF 1956

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

RETURNING

WITHOUT APPROVAL THE BILL (H. R. 12) DESIGNATED AS THE
"AGRICULTURAL ACT OF 1956"

APRIL 16, 1956.—Ordered to be printed

To the House of Representatives:

I am returning herewith, without my approval, H. R. 12, designated as the "Agricultural Act of 1956."

It is with intense disappointment and regret that I must take this action. I assure you my decision has been reached only after thorough consideration and searching my mind and my conscience. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems. This bill does not meet their needs.

I am disappointed at the long delays which this legislation encountered. My first special request in this session of the Congress was for prompt remedial farm legislation. A sound, constructive nine-point program to this end was submitted on January 9, with an urgent request for action. It was a program that came from the grassroots. Suggestions and criticisms from large numbers of farm people, in every type of agriculture, from every section of the country, were analyzed and used. It offered no magic panacea because, we can all agree, there is none. It did strike directly at the root of the low price-low income problem.

The problem is price-depressing surpluses. Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued. Any forward-looking, sound program to meet the needs of

farm people must remove the burden of these accumulations. They are depressing net farm income by many hundreds of millions of dollars a year.

H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people.

The bill is self-defeating. The soil-bank proposal has been incorporated. This would be constructive, had it not been encumbered by contradictory provisions. The soil bank would provide an income incentive to farmers to reduce production temporarily so that surplus stocks might be reduced. Other provisions of this bill, however, would result in an equal or greater incentive to increase production and accumulate more surplus.

Among the provisions which make this bill unacceptable are: (1) the return to wartime rigid 90 percent of parity supports for the basic commodities; (2) dual parity for wheat, corn, cotton, and peanuts; (3) mandatory price supports for feed grains; (4) multiple-price plans for wheat and rice. The effect of these provisions would be to increase the amount of Government control and further add to our price-depressing surpluses.

Specific objections relative to each of these provisions may be summarized as follows:

1. Price supports at wartime 90 percent of parity on basic crops were in effect in each year from 1944 through 1954. They were not responsible for the high commodity prices and high farm income of wartime and the immediate postwar years. Prices were then above support levels due to wartime inflation and the insatiable markets associated with war. Neither did 90-percent supports prevent prices from falling as postwar surplus stocks began to accumulate.

Price supports at wartime 90 percent on the six designated basic crops did encourage production of these crops relative to others. At the same time consumption was discouraged and the use of substitutes was stimulated. Market outlets shrank, and surplus accumulations mounted. Acreage controls had to be invoked, thereby rationing the right to produce. Wheat acreage was reduced from 79 million to an allotment of 62 million and then to the present 55 million acres. Cotton was cut from 25 million to 20 million and then on down to the present 17 million acres. These drastic reductions, forced by the application of the price-support law, penalized many farmers directly by resulting in shrunken volume and uneconomic farming operations. In addition, acreage diverted from the basic crops shifted surplus problems into many other crops and livestock. Now almost every farmer is adversely affected, regardless of what crops or livestock he raises.

If wartime rigid 90-percent supports were the answer to the problem of our farm families, there would now be no problem.

Farm incomes have declined in every year except one between 1947 and 1954, and in all these years 90-percent supports were in effect.

Farmers are not interested in price alone. What they really want for their families is more net income, which is affected

by volume and costs as well as by price. The 90-percent-of-parity approach focuses on support price alone.

To return now to wartime 90-percent supports would be wrong. Production would be stimulated. Markets would be further destroyed, instead of expanded as must be done. More surplus would accumulate—and surpluses are price-depressing. Regimentation by ever stricter production controls would be the end result.

It is inconceivable that we should ask farm families to go deeper into this self-defeating round of cause and effect.

2. The provision for dual parity would result in a permanent double standard of parity for determining price supports. Four crops would receive preferential treatment out of 160 products for which parity prices are figured. There is no justification in logic or in equity for such preferential treatment.

Particularly is this true because, under the working of the modernized parity formula enacted by the Congress, increasing the parity prices of some commodities automatically lowers the parity prices of all other commodities.

If parity prices for wheat, corn, cotton, and peanuts are to be higher, then parity prices of the other products must be lower.

To whatever degree prices would be further artificially raised there would be a corresponding stimulus to production, more controls on farmers, reduced consumption, increased accumulations, and lower prices in the market. Such a device for parity manipulations could destroy the parity concept itself. It places a potent weapon in the hands of opponents of all price supports for farmers. We have no right to place the welfare of our farm families in such jeopardy.

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and less on grain. The flow of feed grains into Government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock, and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.

4. The multiple price plans for wheat and rice would have adverse effects upon producers of other crops, upon our relations with friendly foreign nations, and upon our consumers.

There are other serious defects in the bill, such as certain provisions found in the section dealing with the dairy industry. Still other features are administratively bad and would require the hiring of thousands of additional inspectors and enforcers.

I recognize that the restoration by H. R. 12 of wartime mandatory 90-percent price supports applies only to 1956 crops. This, in combination with other objectionable features of the bill, would put us back on the old road which has proved so harmful to farmers.

Bad as some provisions of this bill are, I would have signed it if in total it could be interpreted as sound and good for farmers and the Nation.

After the most careful analysis I conclude that the bill is contradictory and self-defeating even as an emergency relief measure and it would lead to such serious consequences in additional surpluses and production controls as to further threaten the income and the welfare of our farm people.

Because the good features of the bill are combined with so much that would be detrimental to farmers' welfare, to sign it would be to retreat rather than advance toward a brighter future for our farm families.

We now have sound and forward-looking legislation in the Agricultural Act of 1954. Neither that act, nor any other, can become fully effective so long as it is smothered under the vast surpluses that have accumulated. We imperatively need remedial legislation to remove this burden and enable the fundamentally sound program provided in the act of 1954 to become workable. Such remedial measures were proposed in my message of January 9.

I am keenly mindful that the failure of the Congress to enact good new farm bill can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately. Particularly, the failure to enact a soil bank before planting time this year makes such administrative efforts imperative.

Consequently, we are going to take prompt and decisive administrative action to improve farm income now. I have conferred with the Secretary of Agriculture, and the administration is moving immediately on four major fronts:

1. In 1956, price supports on five of the basic crops—wheat, corn, cotton, rice, and peanuts—will be set at a level of at least 82½ percent of parity. Tobacco will be supported as voted in the referendum in accordance with existing law.

Within this range of price-support flexibility, the administration intends to set minimum support levels that will result in a national average of—

Wheat at \$2 a bushel.

Corn at \$1.50 a bushel.

Rice at \$4.50 per hundred pounds.

A separate support for corn not under acreage control in the commercial corn area will be announced at an early date.

Price supports on cotton and peanuts have not yet been announced but will be at least 82½ percent of parity.

The Secretary of Agriculture will announce shortly the details of the new cotton export sales program.

2. For this year the support price of manufacturing milk will be increased to \$3.25 per hundred pounds. The support price of butterfat will be increased to 58.6 cents a pound.

3. We will use Department of Agriculture funds, where assistance will be constructive, to strengthen the prices of perishable farm commodities. We will have well over \$400 million for that purpose for the year beginning July 1.

These actions, the administration will take immediately.

I now request Congress to pass a straight soil-bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to

sign a sound Soil Bank Act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.

This combined program of administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families.

Here is a challenge for both the legislative and executive branches of the Federal Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 16, 1956.

H. R. 12

EIGHTY-FOURTH CONGRESS OF THE UNITED STATES OF AMERICA, AT THE SECOND SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON TUESDAY, THE THIRD DAY OF JANUARY, ONE THOUSAND NINE HUNDRED AND FIFTY-SIX

AN ACT To provide an improved farm program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1956".

TITLE I—PRICE SUPPORT

PRICE SUPPORT LEVELS ON BASIC COMMODITIES

SEC. 101. Section 101 (d) (6) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"(6) Except as provided in section 402, the level of support to cooperators shall be 90 per centum of the parity price for the 1956 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas."

PRICE SUPPORTS—COTTONSEED AND SOYBEANS

SEC. 102. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market."

PRICE SUPPORTS—MANUFACTURING MILK

SEC. 103. The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: "The price of whole milk and butterfat, respectively, shall be supported at a level not in excess of 90 per centum nor less than 80 per centum of the parity price therefor: *Provided*, That for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and the price of butterfat shall be supported at not less than \$3.25 per hundredweight and 58.6 cents per pound, respectively."

PARITY FORMULA

SEC. 104. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: "as of any date during the six-year period beginning January 1, 1950,". The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

EFFECTIVE DATE

SEC. 105. This title shall take effect with the 1956 crops.

TITLE II—SOIL BANK ACT

SHORT TITLE

SEC. 201. This title may be cited as the "Soil Bank Act".

DECLARATION OF POLICY

SEC. 202. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farm land for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

SUBTITLE A—ACREAGE RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 203. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958 and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable, within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for

the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of fifty-one million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the five calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 408 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the three years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 per centum thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed

grains (planted and diverted) in such counties for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the three years immediately preceding the year for which the apportionment is made (such farms are hereinafter called "new feed grain farms"). Producers shall not be eligible for compensation under the acreage reserve program for feed grains, on new feed grain farms. For purposes of this subsection, section 214, and section 408 (d) the terms "plant" or "planted", as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

EXTENT OF PARTICIPATION IN PROGRAM

SEC. 204. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 203 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

COMPENSATION OF PRODUCERS

SEC. 205. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than one year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed \$750,000,000, and with respect to any commodity for any year shall not exceed the amount

shown below: Wheat, \$375,000,000; cotton, \$300,000,000; corn in the commercial corn-producing area, \$300,000,000; other feed grains, \$175,000,000; peanuts, \$7,000,000; rice, \$23,000,000; and tobacco, \$45,000,000. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 204.

EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

SEC. 206. (a) In the future establishment of State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

SUBTITLE B—CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 207. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 203 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within thirty days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such thirty-day period, the determination of the State committee made in accordance with regulations of the Secretary, shall be final and conclusive. If the producer within such thirty-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceeding, shall submit a report including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located, within ninety days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination, within the ninety-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms "county committee" and "State committee" as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

CONSERVATION RESERVE GOAL

SEC. 208. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carry-over. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop production regions of the country.

AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

SEC. 209. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the five-year period 1956-1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) The period covered by any contract shall not exceed ten years, except that contracts for the establishment of tree cover may extend for fifteen years.

(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of \$450,000,000 in any calendar year.

TERMINATION AND MODIFICATION OF CONTRACTS

SEC. 210. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

CONSERVATION MATERIALS AND SERVICES

SEC. 211. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses,

under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

EFFECT ON OTHER PROGRAMS

SEC. 212. Notwithstanding any other provision of law—

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

GEOGRAPHICAL APPLICABILITY

SEC. 213. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

SEC. 214. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or fifteen acres, whichever is larger.

REAPPORTIONMENT PROHIBITED

SEC. 215. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

CERTIFICATE OF CLAIMANT

SEC. 216. Subject to the provisions of section 205 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

UTILIZATION OF LOCAL AND STATE COMMITTEES

SEC. 217. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

UTILIZATION OF OTHER AGENCIES

SEC. 218. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

UTILIZATION OF LAND USE CAPABILITY DATA

SEC. 219. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

FINANCING

SEC. 220. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

FINALITY OF DETERMINATIONS

SEC. 221. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

PROTECTION OF TENANTS AND SHARECROPPERS

SEC. 222. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to

participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

PENALTY FOR GRAZING OR HARVESTING

SEC. 223. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 203 or 207 shall be subject to a civil penalty equal to 50 per centum of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

REGULATIONS

SEC. 224. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

SEC. 225. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price supported crops in surplus supply.

POOLING OF CONSERVATION RESERVE LAND

SEC. 226. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE III—SURPLUS DISPOSAL

PROGRAM OF ORDERLY LIQUIDATION

SEC. 301. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit to Congress within ninety days after the enactment of this Act detailed programs, with recommendations for any additional legislation needed to carry out such programs, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

- (1) the quantities of surplus commodities on hand;
- (2) the methods of disposition utilized and the quantities disposed of during the preceding twelve months;
- (3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;
- (4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and
- (5) recommendations for additional legislation necessary to accomplish the purposes of this section.

EXTRA-LONG STAPLE COTTON

SEC. 302. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra-long staple cotton on hand on the date of enactment of this Act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

AGREEMENTS LIMITING IMPORTS

SEC. 303. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933), as amended.

APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

SEC. 304. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such \$500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL STOCKPILE

SEC. 305. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98-98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

SURPLUS DISPOSAL ADMINISTRATOR

SEC. 306. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding \$15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

USE OF VOLUNTARY AGENCIES AND SHIPPING SUBSIDY FOR MERCHANT MARINE

SEC. 307. That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(a) The first sentence of section 103 (a) is amended by striking out the word "and" following the words "handling costs," and by inserting immediately before the period the following: "and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended".

(b) Section 201 is amended by striking out "f. o. b. vessels in United States ports,".

(c) The first sentence of section 203 is amended to read as follows: "Not more than \$500,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title." Section 203 is further amended by adding at the end of the section the following: "Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President."

COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

SEC. 308. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of five members, of whom not more than three shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

SEC. 309. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price-support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price-support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL PROJECTS

SEC. 310. (a) For a period of three years from the date of enactment of this Act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this Act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of three years from the date of enactment of this Act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this Act and under price support legislation.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

PROCESSING OF DONATED FOOD COMMODITIES

SEC. 311. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

EXTENSION OF SURRENDER AND REAPPORTIONMENT PROVISIONS FOR WHEAT
ACREAGE ALLOTMENTS

SEC. 401. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957".

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

SEC. 402. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

COTTON—SMALL FARM ALLOTMENTS

SEC. 403. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall be not less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period."

(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which

percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE CROP

SEC. 404. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (e) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

INCREASE IN PEANUT MARKETING PENALTIES

SEC. 405. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 per centum of the support price for peanuts for the marketing year (August 1-July 31)."

COLLECTION OF PEANUT MARKETING PENALTIES

SEC. 406. Section 359 of Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States."

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 407. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

"SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage allotments are in effect for any commodity under this Act, the acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN AND OTHER FEED GRAINS

SEC. 408. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 per centum of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 per centum of the farm base acreage established for such feed grains under section 203 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 per centum of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn

produced in the commercial corn-producing area. Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 per centum of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, MARKETING QUOTAS, AND MARKETING CERTIFICATES"; (2) by changing the designation of subtitle D thereof to read as follows: "SUBTITLE F—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS"; and (3) by inserting after subtitle C new subtitles D and E, as follows:

"SUBTITLE D—DOMESTIC PARITY PLAN FOR WHEAT

"LEGISLATIVE FINDINGS

"SEC. 379a. Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced and consumed within the confines of any State is normally commingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of intrastate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

"DOMESTIC FOOD QUOTA

"SEC. 379b. Not later than May 15 of each calendar year the Secretary shall determine and proclaim the domestic food quota for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

"APPORTIONMENT OF DOMESTIC FOOD QUOTA

"SEC. 379c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of the total production of wheat in each State during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period. The reserve quota set aside herein for apportionment by the Secretary shall be used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat

during the five calendar years immediately preceding the calendar year in which the quota is proclaimed.

"(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 per centum thereof for apportionment as provided in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period.

"(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the three calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of past acreage of wheat, the normal yield, crop rotation practices, type of soil, and topography. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of past acreage, if any, planted to wheat and the normal yield for such farm or the average of the county, tillable acres, crop-rotation practices, type of soil, and topography.

"MARKETING CERTIFICATES

"SEC. 379d. (a) Beginning with the first crop of wheat for which a marketing certificate program is placed in effect under section 379j, the Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the county domestic food quota. Such certificates shall be issued to cooperators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 379c of this Act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates to processors and importers in such quantities as are required by them in order to meet the requirements of subsections (a) and (b) of section 379e. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

"(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 379b of this Act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price, (2) the estimated farm price for wheat, and (3) the value per bushel of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of each marketing certificate shall be computed to the nearest cent by multiplying the value per bushel by the number of bushels thereof. Except as otherwise provided herein, the value of the certificate so determined shall remain constant and shall remain in effect throughout the marketing year for which it is issued. The proclamation required by this subsection shall be made during the month of May immediately preceding the marketing year for which such domestic food quota is proclaimed.

"(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

"MARKETING RESTRICTIONS

"SEC. 379e. (a) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in

effect under section 379j would normally be marketed, and except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person. The quantity of such marketing certificates acquired shall be equivalent to the number of bushels of wheat processed into food products.

"(b) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed and except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person.

"(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

"(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

"(e) As used in this section, (1) the term 'marketing' means the sale and the delivery of the food product composed wholly or partly of wheat, and (2) the term 'food' means human food.

"CONVERSION FACTORS

"SEC. 379f. The Secretary shall ascertain and establish conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

"CIVIL PENALTIES

"SEC. 379g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 379e of this Act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"ADJUSTMENTS IN DOMESTIC FOOD QUOTAS

"SEC. 379h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic food quota for wheat is increased under this section, each farm quota for wheat shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 379d of this Act. In case any domestic food quota for wheat is suspended under

this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 379d of this Act.

"REPORTS AND RECORDS

"SEC. 379i (a) The provisions of section 373 (a) of this Act shall apply to all persons, except wheat producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the Act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

"REFERENDUM

"SEC. 379j. In any referendum held pursuant to section 336 of this Act on the national marketing quota proclaimed for any crop of wheat, the Secretary shall also submit on separate ballots the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program, the Secretary shall, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for that crop and subsequent wheat crops under the provisions of this subtitle, in which event marketing quotas and acreage allotments and the provisions of title III of this Act relating thereto, except as otherwise provided in this section, shall not thereafter be in effect for wheat: *Provided, That*, whenever a marketing certificate program is in effect, the wheat marketing quota provisions and penalties shall remain in effect with respect to prior crops of wheat in the same manner as if marketing quotas were in effect for the current crop of wheat, and the Secretary may, by regulation, prescribe the method for collecting penalties on any such wheat.

"PRICE SUPPORT

"SEC. 379k. Notwithstanding any other provision of law—

"(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

"(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement approved by the Congress or ratified by the Senate relating to wheat to which the United States is a party, (4) foreign trade policies of friendly wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

"(c) Compliance by the producer with acreage allotments may be prescribed and required by the Secretary as a condition of eligibility for price support and for the receipt of wheat marketing certificates. Acreage allotments shall be established in accordance with the provisions of subtitle B, part III of this Act.

"(d) Notwithstanding any other provision of law, no producer of wheat shall receive certificates for a number of bushels in excess of the number obtained by multiplying the acreage actually planted to wheat by the normal yield.

"(e) Any farmer who is dissatisfied with his farm acreage allotment may have such acreage allotment reviewed in accordance with the procedures prescribed by sections 363 to 368, inclusive, for reviewing marketing quotas.

"SUBTITLE E—RICE CERTIFICATES

"LEGISLATIVE FINDINGS

"Sec. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this Act.

"EFFECTIVE DATE AND TERMINATION

"Sec. 380b. The provisions of this subtitle, unless extended by law, shall apply only to the crops of rice harvested prior to 1958, and sections 380c through 380g (e) shall not be applicable to rice harvested before 1956. Notwithstanding any other provision of law, the national acreage allotment of rice for 1957 shall be not less than the national acreage allotment for 1956, including any acreage allotted under section 353 (c) (5) of this Act, and such 1957 national allotment shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.

"RICE PRIMARY MARKET QUOTA

"Sec. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year, except that for the marketing year beginning in 1956 such determination and proclamation shall be made not later than thirty days after the enactment of the Agricultural Act of 1956. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"APPORTIONMENT OF PRIMARY MARKET QUOTA

"Sec. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year. Notwithstanding the foregoing provisions of this subsection, the primary market quota for rice shall be apportioned by the Secretary among the several States for the marketing year beginning in 1956 on the basis of the 1955 production of rice in each State.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"REVIEW OF PRIMARY MARKET QUOTA

"Sec. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

"PRICE SUPPORT

"Sec. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on the 1956 crop of rice at not less than 55 per centum or more than 90 per centum of the parity price of rice as of the be-

ginning of the marketing year and on the 1957 and subsequent crops of rice at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of the 1956 and 1957 crops, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"CERTIFICATES

"Sec. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"INVENTORY ADJUSTMENT PAYMENTS

"Sec. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of July 31, 1956, in amounts equal to the amount by which 80 per centum of the parity price of rice as of August 1, 1955, exceeds the support price for the 1956 crop of rice, multiplied by the quantities of such rough rice: *Provided, however,* That such payments shall not be made with respect to rice of the 1956 crop, imported rice, or rice acquired from Commodity Credit Corporation. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"RICE SET-ASIDE

"Sec. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the 1956 marketing year, not exceeding twenty million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"EXEMPTIONS

"Sec. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"PROCESSING RESTRICTIONS

"SEC. 380k. (a) Each person who on or after August 1, 1956, engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"IMPORT RESTRICTIONS

"SEC. 380l. Each person who, on or after August 1, 1956, imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

"REGULATIONS

"SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"CIVIL PENALTIES

"SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"REPORTS AND RECORDS

"SEC. 380o. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"DEFINITIONS

"SEC. 380p. For the purposes of this subtitle—

"(a) 'cooperator' shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) 'processed rice' means any rice from which the husk or hull has been removed and includes, but is not limited to—

- "(1) whole grain rice,
- "(2) second head milled rice,
- "(3) screenings milled rice,
- "(4) brewers milled rice,
- "(5) undermilled rice or unpolished rice,
- "(6) brown rice,
- "(7) converted rice, malekized rice or parboiled rice, and
- "(8) vitaminized rice or enriched rice.

"(d) 'United States' means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) 'exporter' means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) 'rough rice equivalent' means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

"(g) 'import' means to enter, or withdraw from warehouse, for consumption."

NORMAL YIELD FOR RICE

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) 'Normal yield' for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"(E) 'Normal yield' for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such five-year period is less than 75 per centum of the average, 75 per centum of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such five-year period is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre."

TITLE VI—FORESTRY PROVISIONS

ASSISTANCE TO STATES FOR TREE PLANTING AND REFORESTATION

SEC. 601. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than fifty million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial

contributions: *Provided*, That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

SAM RAYBURN,
Speaker of the House of Representatives.
WALTER F. GEORGE,
President of the Senate, pro tempore.

[Endorsement on back of bill:]

I certify that this Act originated in the House of Representatives.

RALPH R. ROBERTS, *Clerk.*



This, then, is the answer of the officials. The reaction of the nongovernment observers to all this is that the administration was right in backing these programs, but that it was imprudent to emphasize them as much as it did.

MAJOR STRATEGIC DEFEAT

The result of this emphasis, these officials feel, was to damage the cause of the United States in Asian eyes by raising fears of war. They feel this worked greatly to the advantage of the Communists in the so-called uncommitted parts of the world; and that it was unfair to the peaceful objectives and great economic sacrifices of the American people.

Beyond this, many nongovernment observers here believe that President Eisenhower, more than anybody else in the world, was responsible at the Big Four meeting in Geneva for encouraging the wishful thinking about the Communists his administration now deplores.

Almost all agree that he enjoyed a great personal success at Geneva but suffered a major strategic defeat. For it was there that the Communists really dramatized their policy and propaganda for peaceful coexistence, and got the pictures of President Eisenhower and Premier Nikolai A. Bulganin that they scattered all over the world with General Eisenhower's public statement that he believed the Russians were as sincerely devoted to peace as anybody else.

Indeed, the fact that the Eisenhower administration is now turning around and trying to emphasize the economic, political, and social aspects of the world struggle is taken as concrete evidence that the previous emphasis on massive retaliation with atomic weapons was unwise.

Veteran diplomats here are constantly saying that history is full of evidence of policies that were good at one time and in one place but not so good or worse at another time and another place. They point to the North Atlantic Treaty as a vital military deterrent, which did much to create stability in Europe.

But they contend that Mr. Dulles' insistence on extending this same policy to the alliances involving Turkey, Iran, and Pakistan did not change the military balance in this area. These diplomats contend it resulted in infuriating the Indians, the Egyptians and finally the Russians, who leaped over it into the new Moscow policy of economic and political penetration in the Middle East.

Criticism No. 2: The United States foreign economic policy has not kept pace with its policy of military solidarity, and the United States, meanwhile, has been urging upon its allies trade and political-union policies it is not prepared to adopt itself.

On this one there is little difference in Washington between Government and non-Government opinion. The Eisenhower administration is not happy about its policies on trade, ship subsidies or customs, or at least some members of it are not. The President, for example, favors a more liberal trade and aid policy.

One Cabinet member said to this reporter: "We don't have one foreign economic policy; we have 49 different foreign economic policies, some of them administered by 1 department and some by another. The whole thing needs to be pulled together."

He added that this should be done very slowly and carefully. His point was that the United States was probably approaching the fiercest competition from the Soviet Union, West Germany, Britain, and Japan since before World War I, and that it had to be extremely careful that it did not give away its weapons in this field.

As to the political-union pressure on the allies out of Washington, everybody here agrees that this is a good idea for Europe but out of the question, politically, here. Good idea but bad politics, Washington says.

And, of course, that is what London and Paris say, too.

Criticism No. 3: The United States has been the prisoner of its own domestic political slogans in the presidential election campaign of 1952 and of the cold war slogans of liberation and massive retaliation thereafter.

It is generally admitted here, at least by observers outside the Government, that this is a valid criticism. The Republicans had been out of power for 20 years. They concentrated in the 1952 campaign, as all political parties do, on the weakness of the opposition. The best target in that opposition was that China had been taken over by the Communists during President Harry S. Truman's last term, and the Republicans set out to exploit this historic development.

In the process, they contended that this loss was the Democrats' fault, that the liberal New Deal, being oriented to the left, was soft on communism, that this was proved by Washington's half-way war in Korea, and by its policy of bridling Chiang Kai-shek, and its policy of "containment." This last was portrayed as a policy of acquiescing to the vast wartime gains of the Soviet Union.

Probably none of this was as potent in the 1952 election as the popularity of General Eisenhower, the fierce antipathy among the people to the bloodshed in Korea and the general public boredom with a party that had been in power for a generation.

WARLIKE TALK CONTINUED

Nevertheless, the combination of all these factors broke the Roosevelt coalition of the Deep South and the minority groups in the large urban areas of the North. So the Republicans carried on the aggressive talk after they got into office, while at the same time cutting their economic commitments.

Thus, they unleashed General Chiang, threatened massive retaliation, and warned the French that if Paris did not accept the European Defense Community as a means to the political union of Europe, Washington would undertake an "agonizing reappraisal" about its whole policy of alliance with Western Europe.

At no time, however, did this administration ever have the courage of its propaganda. It soon leached President Chiang when the consequences of unleashing him became apparent. It acquiesced in the partition of Indochina. It swallowed France's rejection of ETC and when it took a hard look at the consequences of trying to "liberate" territories taken over by the armies of the Soviet Union and Communist China, it withdrew in a torrent of aggrieved rhetoric.

Nevertheless, it hung on to its cold war slogans about Communist China, put pro-Chiang figures in key positions in the State Department (Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs, for example) and placated the bloc embracing Mr. Robertson and Senator William F. Knowland, Republican, of California; Senator Styles Bridges, Republican, of New Hampshire, and Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff. These four leaders opposed any change in the legal status of China.

Thus the administration found itself frozen between its allies who wanted to recognize Communist China and its political opposition within the Republican Party, which wanted an aggressive policy toward Peiping. This compromise pleased nobody—not President Chiang or the Taiwan bloc in the party, or the Chinese Communists, or the Asian neutrals.

Criticism No. 4: The leaders of the free world coalition in Washington have no effective plan for waging the more subtle second phase of the cold war. They are inflexible and inexperienced moralizers who preach against the old pragmatic diplomacy of the past but have nothing practical to put in its place.

Again the Government officials reject and resent this criticism but the non-Government observers think there is a lot to it. The view of the Government officials is that the United States is between the acts in the great world drama, and that the critics should wait until the United States, which is a democracy that must move by persuasion and congressional consent, gets the stage properties in order for the next act.

It is true that after years of experimenting with planning boards at the State Department level, and at the Cabinet level, psychological warfare experts, cold war strategists in the White House, and the National Security Council, the United States still operates largely on a temporary basis, one crisis at a time.

UNITED STATES MUDDLING THROUGH

Washington put pressure on the British to get out of Suez without insisting on a quid pro quo. It was enamored first with King Farouk, and then with Farouk's two dictator successors, Gen. Mohammed Naguib and Premier Gamal Abdel Nasser. It took credit for settling the Suez situation, which is now creating havoc with the whole Western coalition.

It risked the defection of India to placate Nationalist China and Pakistan, and by getting itself involved everywhere on a mediator basis, found itself in trouble with the Arabs and the Israelis, the French and the Algerians, the Portuguese and the Indians (over Goa), the British and the Greeks, and the Turks (over Cyprus), and the Dutch and the Indonesians (over New Guinea).

Thus, say Mr. Dulles' critics, the United States has merely replaced London's "muddling through" with Washington's "muddling through," and has sought to please everybody and ended by pleasing nobody.

Much of this is laid to the Secretary of State. The general feeling here is that the President leaves almost everything to him unless it is an issue of peace or war, and that Mr. Dulles has a weakness for trying to please the side he is talking to at the moment, and a fatal flaw of talking and moralizing too much the rest of the time.

One diplomat, who is friendly to the Secretary of State, put it this way:

"It is obviously impossible for Mr. Dulles to please everybody or to follow a consistent policy in situations all over the world which are contradictory. If he would only proceed in a hardheaded way, and with a series of clear priorities, to do precisely what he thought was in the best interests of the United States, he would get along better."

"He wouldn't be liked for that, but in the end, he would be respected, for the selfish pursuit of a nation's interests is a reality everybody with any experience understands."

In summary, the general feeling here is that there is a need in Washington for a reevaluation of the United States cold war policies, and particularly its tactics and public attitudes. There has been a loss of confidence in American leadership. This much is widely felt here, but all knowledgeable observers go back to the big point:

In short, to be policeman, banker, and babysitter to a restless and changing world when the coalescing force of fear has been largely removed, is a tough assignment.

[From the New York Times of April 15, 1956]

THE UNITED STATES AND ITS CRITICS

During the past week this newspaper completed a survey by its correspondents of the impacts and impressions made by American foreign policy on free public opinion in five continents. The survey registered so much, and such diverse, criticism as to suggest a certain failure by this Nation, which prides itself on its advertising genius, to sell its own policy or to meet Soviet competition in this field.

Some of the criticism seems to us to be justified and well worth heeding. Some of it derives from emotion, ideology, or self-interest, but mere refutation does not solve the problem. All of it should be made subject to further analysis, deliberation and consultation with our friends and allies to correct faults, to devise remedies and thereby to strengthen free world unity.

Two central facts emerge. One is that the United States, because of its wealth and power, must assume primary responsibility for the destiny of the free world. The other is that, barring only occasional suspicions to the contrary, the United States is not being accused of any selfish ambitions for conquest or self-aggrandizement. On the contrary, our contributions to economic rehabilitation and military security are freely acknowledged, even if without gratitude in some cases or full realization of the contrast between our policy and the predatory policy of the Soviets.

Taking these central facts into account, the most common criticism boils down to this—that in contrast to the bold and even revolutionary policies represented by the Marshall plan and the North Atlantic alliance, which saved Western Europe, our policy has become too static, too rigid, and even too timid to solve the world's pressing problems. Some of this criticism may sound strange to American ears, considering President Eisenhower's efforts at Geneva, his bold atom-for-peace, open sky, and other disarmament proposals, and his pressure for an expanded, continuous, and more flexible foreign-aid program.

But the criticism is not directed against the aims of our policy, nor even its strategy, but rather, against our tactics. Here we are being criticized both for doing too much and for doing too little. In the eyes of Europe, especially its leftist elements, and even more in the eyes of neutralist Asia, we concern ourselves too much with the Communist menace, now said to be reduced by Stalin's death, and concentrate too much on military security to the point of saber rattling. Europe still values its alliances with us, but neutralist Asia fails to realize that only the protective umbrella of these alliances permits it to be neutral with impunity.

On the other hand, we are being criticized for not doing enough by refusing to take sides in quarrels between our friends and allies, which disappoints both sides; by failing to give adequate support to anticolonial nationalism and also to colonial powers seeking to suppress rebellion, which makes both sides mistrust us; above all, by failing to share both our power and our wealth even more freely than heretofore. Much of this criticism is obviously contradictory and cancels itself. Some of it goes beyond practical possibilities. If this survey makes some of our critics realize this, it will have served both us and them.

All this, however, still leaves room for improvement. We firmly believe that we are more realistic about the Communist menace than our critics, and we shall continue to maintain and develop our military power and our alliances to deter Communist aggression. But it is still a good maxim to speak softly when carrying a big stick, and to do that will prevent the Soviets from exploiting unwise remarks for the benefit of their "peace offensive." We will also have to develop new and more comprehensive programs not only for foreign aid but also for foreign trade, investment, and development to meet the Soviet economic offensive without impairing the interests or offending the sensibilities of other nations.

Such programs can be developed only in consultation and cooperation with the rest of the free world. But the initiative will have to come from the United States, and this fact confronts us with a task worthy of the best brains we can command.

VETO OF THE FARM BILL

Mr. AIKEN. Mr. President, President Eisenhower has again demonstrated the courage of his convictions in vetoing H. R. 12, the so-called farm bill.

It was with keen disappointment that the President felt impelled to veto a bill containing the soil-bank provisions which he himself had recommended. However, in deciding whether to approve or disapprove proposed legislation, all provisions of a bill must be taken into account, not just its good features. In the case of H. R. 12, the President found that the bad features of the bill outweighed the good, and he made his decision accordingly.

The fact that there may be no general farm legislation this year, as predicted by the majority leadership in the event of a veto, does not mean there will be no marked improvement in the farm situation. The Agricultural Act of 1954 is on the statute books, and has recently taken full effect. Under this and other existing legislation, it will be possible to do administratively many things to make conditions better. The President has already indicated what some of these steps will be.

Had the soil-bank provisions not been encumbered by other provisions which many of us consider to be unsound and actually income-reducing, and had the bill been enacted early enough, it could conceivably have made 1956 a record year for agricultural income. However, we may still look forward optimistically to a good year—a far better year than 1955. Producers of livestock, dairy and poultry products, feed grains, and basic commodities will all benefit by the programs which the President and the Secretary of Agriculture have already approved. Markets should be recovered and expanded for some commodities.

Above all else, the farm people may be assured that their administration is constantly on the alert for means to enhance the general level of farm income.

Like President Eisenhower, many of us still hope that Congress will decide to approve a sound soil-bank program not encumbered by barnacles of either defeatism or fear.

Whether this eventuates or not, however, we have reached the point from which the American farmer, under the inspiring leadership of a great President and his Secretary of Agriculture, may look to the future with greater confidence.

FARM INCOME AND SUBSIDIES

Mr. ALLOTT. Mr. President, on this occasion it seems to me only appropriate that we consider some of the fundamental things the farmers themselves are thinking about. One of the fine publications in the western section of the Nation is Western Farm Life, which has just conducted a poll in regard to Government subsidies, limit payments, livestock shows, and farm income. I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an editorial showing the results of the poll.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WFL'S ACROSS THE FENCE—A SURVEY OF FARM AND RANCH OPINION IN THE INTERMOUNTAIN REGION

Government subsidies: Do you believe agriculture would be better off going it alone in a free market with no Government regulations and no Government payments in the form of subsidies?

	Percent
Yes.....	56.8
No.....	37.6
No comment.....	5.6

Limit payments: Would you favor stopping all Government payments to farmers and ranchers who have a net income from all sources of more than \$5,000?

	Percent
Yes.....	71.7
No.....	24.6
No comment.....	3.7

Livestock shows: Do you think the major livestock shows which are held around the country are a benefit to the livestock industry?

	Percent
Yes.....	77.4
No.....	16
No comment.....	6.6

Farm income: Do you think your farm or ranch income will be more, or less, or remain the same in 1956, compared with 1955?

	Percent
More.....	14.2
Less.....	47.1
Same.....	33.9
No comment.....	4.8

Over 50 percent of the farmers and ranchers of the West, who took the time to answer a recent Western Farm Life survey, believe agriculture would be much better off going it alone in a free market with no Government regulations and no Government payments in the form of subsidies.

An Idaho farmer shays the methods used by our lawmakers and the department of agriculture are not doing the farmers and ranchers any good, but keep getting us into more difficulties in every attempt.

An operator from Montana thinks subsidies and regulations should go. He believes there would be more competition and the inefficient operator would be forced to quit. And, better still, city farmers would be forced to quit because they would no longer be guaranteed a price for their commodities.

A Nevada producer says it might be tough on some for a short time, but as soon as the markets reached their levels everyone would be better off.

With labor and industry organized to protect their interests, the family-type farm cannot survive without subsidies, is the opinion of a farmer from Wyoming.

A Nebraskan thinks that we should not only keep our present subsidies but increase supports to 90-100 percent.

Nearly three fourths of western farmers and ranchers can't understand why the Government should pay subsidies to anyone with a net income of over \$5,000.

A Wyoming farmer says the big operators are running the little fellow out of business as it is without paying him subsidies. A New Mexico lady said she couldn't see why business and professional men, who own farms or ranches, should be paid farm subsidies when their net income is already well above the average farmer.

An Idaho producer can't see any reason for holding down farmers when \$5,000 is just a starter in many businesses. A Colorado farmer wants to continue large subsidies as long as other industries receive large Government payments.

A large majority of western farmers and ranchers believe the major livestock shows around the country are a benefit to the livestock industry. A Utah rancher says the shows encourage better breeding which in turn brings better prices to stockmen. An Arizona breeder says the shows give other people an idea of what better breeding can do for livestock.

A Colorado rancher doesn't think much of the shows because no commercial grades are shown and therefore shows do no good for the great bulk of the cattle industry. A Montana cowman says that in his opinion this is an altogether different industry than raising cattle for slaughter.

Most westerners feel their income will remain the same or be less in the coming year. A Utah farmer said besides the cost-price squeeze he is faced with a water shortage. A Nevada farmer says his income will be the same if costs remain the same. And a Colorado farmer says if his income doesn't go up it will be the first time in 7 years.

ORDER FOR RECESS TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until Wednesday next at noon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO REPORT INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Appropriations may be authorized to file its report on House bill 9390, the Interior Department appropriation bill, notwithstanding the fact that the Senate may not be in session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

VETO OF THE FARM BILL (H. DOC. NO. 380)

Mr. JOHNSON of Texas. Mr. President, I hold in my hand a veto message which is now being read in the House of Representatives, whereby the President returns without his approval H. R. 12, designated as the "Agricultural Act of 1956."

Mr. President, the veto of the farm bill can be described only as a crushing blow to the hopes and the legitimate desires of American agriculture.

Mr. KERR. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. KERR. Will the Senator yield in order that I may suggest the absence of a quorum?

Mr. JOHNSON of Texas. Mr. President, my statement will be very brief, and at its close I shall be glad to yield for that purpose.

Mr. President, the President has now drawn a line which puts his administration without any ifs, ands, or buts on the side of those who believe that low farm prices are the answer to the agricultural problems of the day. Farmers are now—by the President's own decision today—completely at the mercy of Ezra Taft Benson.

In return for depriving the farmers of more than \$2 billion in income this year, the President holds forth a bone. He says Secretary Benson will set price supports on the basics at 82½ percent of parity and increase the supports on milk and butter.

Mr. President, what is significant is that, after 3 years of falling farm income and after the Congress has debated the bill for weeks, yes, even months, the administration is finally going to use administrative powers it has had all along to help the farmers. And while it accuses us in the Congress of passing a farm bill which it says is inconsistent, how does it propose to help the farmers? It proposes to help them by raising price-support levels. The only difference is that the administration's price-support levels are not quite so high as are the price-support levels set by the Congress.

Mr. President, I do not believe our farmers will find that their very real and pressing needs are met by this compromise of principle. In effect, it is merely a rigid price support set at a level too low to be useful.

The President offers to abandon the principle of flexibility if Congress will abandon the principle of adequate farm income. This cannot be considered a justified compromise in any honorable sense of the word.

In the course of his statement, the President requests Congress to pass a straight soil-bank bill as soon as possible. This is a strange request to be making at this late date.

The President himself—by deciding to set rigid price supports at 82½ percent of parity—has already conceded that it is not enough to solve our agricultural problems. If he truly wants—or truly has wanted—the soil bank, he has had ample authority to institute one all along.

All he had to do under existing law is to request funds and go ahead.

I deeply regret the action the President has taken. It is not responsive to the needs of agriculture, but it is obvious that this administration does not want to meet these needs.

By his veto, the President has created a stalemate. I have talked to prominent Members of the Senate who are deeply involved in agricultural legislation.

They are not receptive to the prospects of another long, frustrating effort to compromise what cannot apparently be compromised.

Congress is seeking to raise farm income to adequate levels. The administration is seeking to keep farm income down. There can be no answer until one or the other is changed.

Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, while the message itself has been read in the House, or is to be read—I assume it is now being read—in view of the statements made by the distinguished majority leader, I ask unanimous consent that there may appear in the RECORD at this point—because the veto message is not long—the message of the President of the United States.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The veto message is as follows:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 12, designated as the Agricultural Act of 1956.

It is with intense disappointment and regret that I must take this action. I assure you my decision has been reached only after thorough consideration and searching my mind and my conscience. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems. This bill does not meet their needs.

I am disappointed at the long delays which this legislation encountered. My first special request in this session of the Congress was for prompt remedial farm legislation. A sound, constructive 9-point program to this end was submitted on January 9, with an urgent request for action. It was a program that came from the grass roots. Suggestions and criticisms from large numbers of farm people, in every type of agriculture, from every section of the country, were analyzed and used. It offered no magic panacea because, we can all agree, there is none. It did strike directly at the root of the low price—low-income problem.

The problem is price-depressing surpluses. Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued. Any forward looking, sound program to meet the needs of farm people must remove the burden of these accumulations. They are depressing net farm income by many hundreds of millions of dollars a year.

H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people.

The bill is self-defeating. The soil-bank proposal has been incorporated. This would be constructive, had it not been encumbered by contradictory provisions. The soil bank would provide an income incentive to farmers to reduce production temporarily so that surplus stocks might be reduced. Other provisions of this bill, however, would result in an equal or greater incentive to increase production and accumulate more surplus.

Among the provisions which make this bill unacceptable are: (1) The return to a wartime rigid 90 percent of parity supports for the basic commodities; (2) dual parity for wheat, corn, cotton, and peanuts; (3) mandatory price supports for feed grains; (4) multiple price plans for wheat and rice. The effect of these provisions would be to increase the amount of Government control and further add to our price-depressing surpluses.

Specific objections relative to each of these provisions may be summarized as follows:

1. Price supports at wartime 90 percent of parity on basic crops were in effect in each year from 1944 through 1954. They were not responsible for the high commodity prices and high farm income of wartime and the immediate postwar years. Prices were then above support levels, due to wartime inflation and the insatiable markets associated with war. Neither did 90-percent supports prevent prices from falling as postwar surplus stocks began to accumulate.

Price supports at wartime 90 percent on the 6 designated basic crops did encourage production of these crops relative to others. At the same time, consumption was discouraged and the use of substitutes was stimulated. Market outlets shrank and surplus accumulations mounted. Acreage controls had to be invoked, thereby rationing the right to produce. Wheat acreage was reduced from 79 to an allotment of 62 and then to the present 55 million acres. Cotton was cut from 25 to 20 and then on down to the present 17 million acres. These drastic reductions, forced by the application of the price-support law, penalized many farmers directly by resulting in shrunken volume and uneconomic farming operations. In addition, acreage diverted from the basic crops shifted surplus problems into many other crops and livestock. Now almost every farmer is adversely affected, regardless of what crops or livestock he raises.

If wartime rigid 90-percent supports were the answer to the problem of our farm families, there would now be no problem.

Farm incomes have declined in every year except one between 1947 and 1954, and in all these years 90-percent supports were in effect.

Farmers are not interested in price alone. What they really want for their families is more net income, which is affected by volume and costs as well as by price. The 90-percent-of-parity approach focuses on support price alone.

To return now to wartime 90-percent supports would be wrong. Production would be stimulated. Markets would be further destroyed, instead of expanded, as must be done. More surplus would accumulate—and surpluses are price depressing. Regimentation by ever-stricter production controls would be the end result.

It is inconceivable that we should ask farm families to go deeper into this self-defeating round of cause and effect.

2. The provision for dual parity would result in a permanent double standard of parity for determining price supports. Four crops would receive preferential treatment out of 160 products for which parity prices are figured. There is no justification in logic or in equity for such preferential treatment.

Particularly is this true because, under the working of the modernized parity formula enacted by the Congress, increasing the parity prices of some commodities automatically lowers the parity prices of all other commodities. If parity prices for wheat, corn, cotton and peanuts are to be higher, then parity prices of the other products must be lower.

To whatever degree prices would be further artificially raised there would be a corresponding stimulus to production, more controls on farmers, reduced consumption, increased accumulations, and lower prices in the market.

Such a device for parity manipulations could destroy the parity concept itself. It places a potent weapon in the hands of opponents of all price supports for farmers. We have no right to place the welfare of our farm families in such jeopardy.

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and

less on grain. The flow of feed grains into government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.

4. The multiple-price plans for wheat and rice would have adverse effects upon producers of other crops, upon our relations with friendly foreign nations, and upon our consumers.

There are other serious defects in the bill such as certain provisions found in the section dealing with the dairy industry. Still other features are administratively bad and would require the hiring of thousands of additional inspectors and enforcers.

I recognize that the restoration by H. R. 12 of wartime mandatory 90-percent price supports applies only to 1956 crops. This, in combination with other objectionable features of the bill, would put us back on the old road which has proved so harmful to farmers.

Bad as some provisions of this bill are, I would have signed it if in total it could be interpreted as sound and good for farmers and the Nation.

After the most careful analysis I conclude that the bill is contradictory and self-defeating even as an emergency relief measure and it would lead to such serious consequences in additional surpluses and production controls as to further threaten the income and the welfare of our farm people.

Because the good features of the bill are combined with so much that would be detrimental to farmers' welfare, to sign it would be to retreat rather than advance toward a brighter future for our farm families.

We now have sound and forward-looking legislation in the Agricultural Act of 1954. Neither that act, nor any other, can become fully effective so long as it is smothered under the vast surpluses that have accumulated. We imperatively need remedial legislation to remove this burden and enable the fundamentally sound program provided in the act of 1954 to become workable. Such remedial measures were proposed in my message of January 9.

I am keenly mindful that the failure of the Congress to enact a good new farm bill can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately. Particularly the failure to enact a soil bank before planting time this year makes such administrative efforts imperative.

Consequently we are going to take prompt and decisive administrative action to improve farm income now. I have conferred with the Secretary of Agriculture and the administration is moving immediately on four major fronts:

1. In 1956 price supports on five of the basic crops—wheat, corn, cotton, rice, and peanuts—will be set at a level of at least 82½ percent of parity. Tobacco will be supported as voted in the referendum in accordance with existing law.

Within this range of price support flexibility, the administration intends to set minimum support levels that will result in a national average of wheat at \$2 a bushel, corn at \$1.50 a bushel, rice at \$4.50 per hundred pounds.

A separate support for corn not under acreage control in the commercial corn area will be announced at an early date.

Price supports on cotton and peanuts have not yet been announced but will be at least 82½ percent of parity.

The Secretary of Agriculture will announce shortly the details of the new cotton export sales program.

2. For this year the support price of manufacturing milk will be increased to \$3.25 per hundred pounds. The support price of butter fat will be increased to 58.6 cents a pound.

3. We will use Department of Agriculture funds, where assistance will be constructive, to strengthen the prices of perishable farm commodities. We will have well over \$400 million for that purpose for the year beginning July 1.

These actions, the administration will take immediately.

I now request Congress to pass a straight soil bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound soil bank act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.

This combined program of administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families.

Here is a challenge for both the legislative and executive branches of the Federal Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 16, 1956.

Mr. KNOWLAND. Mr. President, I do not think anyone in this country believes the President of the United States desires to keep farm income down. There apparently is, as is the case with most public questions, an honest difference of opinion as to how the agricultural problem can best be met. But certainly, President Eisenhower and Secretary Benson have a desire to have an American agriculture that is participating in the national economy along with all other segments of the national economy.

The President feels that the piling up of the huge surpluses which have amounted to more than \$9 billion have been detrimental to a sound American agriculture. Great efforts have been made, and successfully so, to eliminate many of these surpluses, and such efforts will continue to be made by the administration, and, I hope, with the full support of the Congress of the United States. Only time will tell which procedure would be best for the Nation. I have a deep conviction that President Eisenhower has as vital an interest in American agriculture, and in seeing to it that the farmers receive a greater share of the national income, as has any Member of this body on either side of the aisle.

Mr. ELLENDER. Mr. President, I deeply regret the action taken by the President in vetoing the farm bill. Heretofore, Secretary of Agriculture Benson has been blamed for the present depressed plight of our agriculture, but now the farmers of the country will blame the President. They have no other alternative; the choice was the President's. He has chosen to let our farm population dangle at the end of Secretary Benson's flexible noose.

As was pointed out by the majority leader, the President has found it necessary to repudiate the flexible price-support principle and has fixed, or will fix, administratively, rigid price supports on all basics at 82½ percent of parity, with the exception, of course, of tobacco, which will remain at 90 percent.

Mr. President, I am sure that President Eisenhower was not fully acquainted with the contents of the bill. It may be he was too busily engaged in playing golf at Augusta to give our bill the study and consideration it obviously deserved; and it is my personal opinion that he had little or nothing to do with the writing of this veto message. The veto message expresses in almost identical words the position heretofore taken by Secretary Benson. The idea of the President stating in his veto message that 90-percent price supports would increase production. The idea of the President blaming Congress for being slow in enacting a farm bill. Mr. President, the inferences are both unconscionable. All acres for the basic crops this year have already been either allocated or planted.

The Committee on Agriculture and Forestry held extensive grass-roots hearings for nearly 2 months last fall. We went to the farmers of this country. We took their views, and from those views we hammered out a farm bill which was reported to the Senate on February 10. Of course, the Senate was unable to act upon this report immediately. Why? Because a "recess" for Lincoln Day speeches had to be taken.

The Senate passed a farm bill on March 19. All during the Easter recess, the Senate-House conference committee worked to iron out our differences. We came into agreement on April 6. On April 11 the House and Senate both passed a conference bill and sent it to the President.

Now, he has vetoed it. Now, he blames the Congress for delay. He shall not evade the responsibility for his premeditated action by seeking to place the blame on Congress. If there was any delay, Mr. President, it was the delay of Secretary Benson to recognize the economic plight of our farmers. It was his consistent effort to raise farm income with rosy words, broad generalities, and partisan politics, instead of taking action.

As I have stated, the Committee on Agriculture and Forestry began hearings last October, in order to be able to present a bill to Congress in January. As chairman of the committee, I invited the Secretary of Agriculture to send some of his experts to the hearings. He took advantage of the invitation and sent two men. The basis of the President's message to Congress on January 9 was those hearings. If they had not been held, the President would not have conceived the soil-bank idea. As a matter of fact, his Department of Agriculture was opposed to a soil bank as recently as July 7, 1955.

I am not here to blame anyone for delay; but, as every Senator knows, I, as the chairman of the committee, set a goal of February 15 as the date on which to introduce an omnibus farm bill in the Senate; I expected and hoped to have it enacted before March. I did not have in mind then that the usual Lincoln birthday holidays would take place. Because of them the Senate was delayed for from 10 to 12 days.

The Senate Committee on Agriculture and Forestry and also the House Committee on Agriculture worked hard

and diligently on the bill all during the Easter recess. It was a complicated measure; our chore was not an easy or pleasant one, but we worked at it nevertheless. I regret, I repeat, that the President did not sign the bill we agreed upon. It was a good bill; I am sorry that the President relied upon his Secretary of Agriculture's judgment instead of asking a few dirt farmers for their thoughts.

So far as price supports are concerned, as I pointed out on the floor of the Senate only a few days ago, the inclusion of 90 percent of parity price supports was the only provision in the bill which offered immediate income relief to the farmers of the Nation. Yet the President has vetoed this bill, he has cast aside 90 percent of parity in favor of 82½ percent of parity. How can the Secretary of Agriculture, who has already set the price support for wheat at 76 percent of parity, now raise the support level to 82½ percent? Such action is simply beyond by comprehension. If it is his prerogative to do so now, then the Secretary could have set the support price at 89 percent, 87 percent, or even 90 percent a long time ago, why has he waited until now to think about raising farm income, Mr. President? I simply cannot understand his proposed action except to assume that it is a calculated effort to forestall the inevitable political upheaval which will take place among the farmers of the Nation because of the action taken by the President—by his decision to toss the farmers a crumb instead of giving them their due. The President and Mr. Benson are obviously attempting to buy the goodwill of our farmers by offering them now, at this late date, 82½ percent of parity. This proposal, Mr. President, is a political sop and I think our farmers will realize what it is.

If the Secretary can now, by some administrative sleight of hand, raise support prices, raise farm income, then he could have done so a year ago. Think of the small farmers he could have assisted if he had chosen to do so.

The President's veto message states there are other serious defects in the bill, such as certain provisions in the section dealing with the dairy industry.

Mr. President, the provision to which he refers merely would have done by legislation what the President says he expects to do administratively in regard to the price of manufactured milk, namely, to raise the support price to \$3.25 a hundredweight. That was all the bill provided. There were no other provisions in the bill which affected the administration of the milk program; the sole provision was that which set the price support for manufactured milk during 1956 at \$3.25 a hundredweight, and fixed the support for butterfat at 58.6 cents per pound.

Here we have a pure anomaly—one typical of this entire veto message—in that the President has criticized the legislative provision affecting the dairy industry, while administratively he intends to do what Congress proposed to do in the bill.

The veto message criticizes the price support which would have been afforded the growers of small grains. I predict that with the 70-percent price support, which the President has heretofore ordered to be administratively fixed for small grains, the Treasury will lose many more millions of dollars than would have been the case if the bill had been signed—if our small-grain provision had been enacted. It is true that in the bill the price support for small grains was raised; but in order to have been able to obtain high price supports, it would have been necessary for the growers of the small grains to cut back their base acreage by 15 percent. They would have had to restrict their planting to 85 percent of their base acres in order to make themselves eligible for price supports. But today the door is wide open. The producers of the small grains can grow all they desire, but the support price will be at 70 percent of parity. They get 70 percent on 100 percent or more of their base acreage instead of 85 percent on 85 percent of their base acreage.

I repeat, I cannot understand the President's position on this bill. I am confident he did not know what the bill contained. He was told, I presume, by Mr. Benson last Saturday that it was a bad bill. I am wondering why it was that the President did not seek advice from some of the Members of Congress of his own party, who worked hard and diligently on the bill; but he seems to have shunned them.

The President criticizes the two-price systems for wheat and rice which the conference bill contained. In order for the two-price wheat program to have become effective, a two-thirds affirmative vote of the wheat-producing farmers would have been required. There was nothing mandatory in the two-price plan for wheat. The choice would have been up to the farmers. The President has denied them that choice. I feel confident, as I stated during debate on that provision, that it probably would have been a long time before the two-price wheat program would have become effective, for the simple reason—and I am certain the President must not have been advised of this—that the program, if it had gone into effect, would have meant continued curtailment of acreage. Acreage would have been controlled, notwithstanding the fact that there was a two-price system in effect. Some advocates of a two-price system for wheat have fostered the plan as a means of planting all the acres they might desire to plant; but the bill as we sent it to the President did not provide for that unlimited planting.

The two-price system for rice was to have gone into effect automatically, but only on a trial basis. It was a plan which I personally discussed with members of the administration. They said that although they could not support it openly, nevertheless they thought, since there was so much talk about two-price plans for basic commodities, that rice was a good commodity with which to start the system. It was an effective method of giving the two-price-plan theory a trial run, so to speak.

The President suggests that Congress should enact a soil-bank program without delay. As chairman of the Committee on Agriculture and Forestry, it is my belief that the President now has ample authority to proceed with some kind of soil-bank program under existing law. So far as I am concerned, I am willing to assist him in that respect all I can. However, there can be no justification for the President seeking passage of a soil-bank bill this year. The President said on April 4 that a soil bank could not become effective this year, even if one were provided in the bill which was subsequently passed, because of the lateness of the year. It is my belief that we can wait until next year for a soil bank.

I am very hopeful that there will be a change in the administration by that time, and that we shall then be able to take the matter up on an effective basis. It is entirely possible that next year the occupant of the White House may be more sympathetic to an effective way of assisting the farmers of the Nation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. I should like to ask one question, if the Senator will yield to me. Are all the things which the President says he and Secretary Benson are now going to do responsive to some suddenly discovered powers, or have they had such powers for the past 3 years and 3 months—powers which, if they had been put into operation, would have helped the farmer and have stopped the decline in farm income, which has been in excess of 20 percent under the present administration during the past 3 years and 3 months? Are they newly discovered powers, or are they old powers?

Mr. ELLENDER. The powers must have been available for quite some time, since they require no new legislation. They have been available for at least 2 years, since the passage of the 1954 act. What prompts their mention at this time, I shall leave to the Senator to judge. As I indicated a while ago, the price support for wheat was announced months ago as 76 percent of parity. Now, with all the surpluses we have on hand, the price is going to be raised to 82½ percent. I think it might require a little investigation to find out how the laws which are now on the statute books can be so manipulated. I myself would like to find out how it is possible to increase the support level of wheat from 76 percent to 82½ percent, when wheat is coming out of our ears and the storage facilities are strained. That is, under the same law under which the support price was fixed at 76 percent.

Mr. MANSFIELD. If the Senator will yield further, I want to say to him that the Senator has a point there. I hope that, as chairman of the Committee on Agriculture and Forestry, he will look into this particular matter and find out why nothing has been done for 3 years and 3 months by this administration to assist the farmers.

Mr. ELLENDER. I am going to try to get Mr. Benson, within the next 48 hours, if possible, to find out how he

can do so, and if he can, why he did not help our farmers a year ago, by raising their income instead of relying upon a barrage of rosy predictions and partisan attacks to do the job.

I would also like to ascertain how he manages to square his theory of flexible price supports, which the President cited as one of the compelling reasons for his veto, with the fixing by administrative action of rigid 82½ percent price supports. Certainly the principle involved is the same, whether support prices are fixed at 82½ or 90 percent of parity. The only difference is in degree—and thus, in the amount of increase in income our farmers will receive next year.

Mr. KERR. Mr. President, from his ivory tower at the Augusta Country Club, where he has been completely insulated from the voice of the people, the President has again acted on the advice of little men who made his decision for him, and has vetoed the farm bill passed by the Congress. With complete disregard of the economic depression and threatened bankruptcy of millions of farm families, he has crucified them on the cross erected by Benson, Aiken, True D. Morse, and others.

The bill which Congress passed, Mr. President, provided the only available way to increase the income of the average farmer this year. It would have increased farm income \$3 billion in 1956 above the pitiful low of 1955. When men talk about the degree to which farm income has decreased, they should advise themselves of reality. They should disregard the myths being foisted upon the American people by the Department of Agriculture. The reality is that the take-home pay of the farm families of our country is down 40 percent in 3 years.

A few days ago in Oklahoma, Mr. President, representatives of the Federal Reserve bank district of which Oklahoma is a part participated in a panel discussion before a convention of Oklahoma bankers. The headline in a great metropolitan Oklahoma newspaper read: "Bankers Find Farm Income Drastically Reduced." I think it is marvelous that the bankers of that convention, after deterioration had been progressively in operation for over 3 years, finally found it. God grant that someday the President of the United States will find it, Mr. President.

The report of the panel of economists from the Federal Reserve district headquarters was to the effect that the average annual income of farm families in Oklahoma in 1955 was \$1,200, a decrease of \$1,000 a farm family in 3 years. That is the reality of the degree to which farm income has decreased, Mr. President. By Eisenhower's veto, he has imposed on American farmers an economic penalty which will result in still further declines this year. At the same time, all costs of business operations, including farm costs, are still rising, and national prosperity, other than for farmers, is at an all-time high.

The farm bill as passed by Congress would have increased farm income in Oklahoma at least \$75 million this year over last year.—The veto of the Presi-

dent will drive it down below the level of last year. So, Mr. President, by the act of the President of the United States, he has imposed on Oklahoma farmers an economic penalty of a minimum of \$100 million for this year.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. KERR. I yield to the distinguished Senator from Georgia.

Mr. RUSSELL. The figures given by the distinguished Senator from Oklahoma are, in my opinion, conservative as to the difference it would make in the income of the farmers of the country had the President signed the farm bill. Most significant to me is the effect the action of the President will have on the independent farmer who operates the family sized farm. He was the type of farmer I think most of the Members of this body were undertaking to preserve and save in passing the bill, so that farm income for such farmers could be stimulated and be brought back to somewhere near where it was at the time this administration assumed power in January 1953.

It occurs to me, Mr. President, one of the most tragic days the farmers of the Nation have ever known was the day President Eisenhower changed his farm advisers. He had some good advisers during the political campaign of 1952. He stated that the Republican Party was committed to 90 percent support prices for all the basics and that the party would make good on that pledge. In another speech in Minnesota he even indicated he would seek to get 100 percent of parity for the basic commodities. Somewhere along the line, after the election, the President changed his farm advisers, and brought gloom, despair, and, indeed, actual suffering into many farm homes. We should not forget there are more than 1½ million farm families in the United States—not farmers, but farm families—whose gross cash income is less than \$1,000 a year, who would have benefited by the bill. It would have enabled those people to hold up their heads and to be thankful they were American citizens.

Mr. President, I wish we might be able to ascertain the exact date when the President changed his farm advisers. Under the existing order of things, it will not be long until we shall be compelled, if we have any respect for the independent family-size farm operator, to build a memorial to him, because if present conditions continue he will soon be extinct. So I wish we could ascertain the exact date—in order that we might carve it on such a memorial—when the President changed his farm advisers from those who guided him during the campaign to those whose advice has resulted in the present change in the farm policy under this administration.

I thank the Senator from Oklahoma for yielding to me.

Mr. KERR. Mr. President, I thank the Senator from Georgia for his remarks. I would make one correction in what he said. He stated that the total farm income of 1 million farm families averaged less than \$1,000 a year.

Mr. RUSSELL. A million and a half farm families, Mr. President. We received evidence of the truth of the statement just this morning, in the Appropriations Committee, where a representative of the Department of Agriculture testified.

Mr. KERR. I thank the Senator from Georgia.

Let me say that I remember that on the floor of the Senate, 2 years ago, the distinguished Senator quoted from a report of the Census Bureau, according to which at that time the average cash income of one-fourth of the American farm families did not exceed \$1,000 a year. I ask the distinguished Senator from Georgia if it is not a known fact that last year the income of American farm families was substantially lower than it was in the year to which that report of the Census Bureau applied.

Mr. RUSSELL. Unquestionably it was lower, and this year it will be much lower.

Mr. KERR. I thank the Senator from Georgia.

Mr. RUSSELL. Not only will it be lower, but there will be a larger number who will have been brought within the lower bracket.

Mr. KERR. The Senator from Georgia is eminently correct, and that development is a direct result of the policy of the present administration.

Mr. President, I wish we could learn when the President changed his farm advisers.

While we are having the benefit of eminent medical counsel in giving the people information about physical health of the President, I should like to have eminent medical counsel find out, if they could, whether the President was mentally aware of what happened at the time when he changed his farm advisers. I do not know on what date that occurred; but I do know that April 16, 1956, will go down in history as the darkest day American agriculture has known during my lifetime; and when the obituaries of the present administration are written, let the record show that it was on that date that the economic crime of 1956 was committed—and committed by the hand of President Eisenhower himself.

Mr. President, it was in line with the policy of President Eisenhower's administration and his Department of Agriculture, that True D. Morse said, when speaking for Mr. Benson, "The marginal farmer must be eliminated." How successful the administration has been in doing that, Mr. President. The farmers know it, and they also know that this administration has been more successful in creating marginal farmers than it has been in eliminating marginal farmers.

Mr. ERVIN. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield to the senior Senator from North Carolina.

Mr. ERVIN. The Senator from Oklahoma stated that this economic crime was committed by the hand of the President himself. I should like to ask the distinguished Senator this question: While it was done by the hand of the

President, are not the words of the veto message the words of his Secretary of Agriculture?

Mr. KERR. They are. I say to my good friend, the Senator from North Carolina, that a little later I had intended to say something in that regard. However, I shall say it now: The Bible refers to the hand of Esau but the voice of Jacob. I wish to say that, this time, it was the hand of Jacob, but the voice of Esau. And with reference to the policy of this administration, it was declared on the floor of the Senate by the senior Senator from Vermont [Mr. AIKEN], when the farm bill was before the Senate—as appears in the CONGRESSIONAL RECORD for February 24, 1956, at page 2887:

The soil-bank proposal as written would permit some small marginal farms to be taken out of production altogether, and the owners of such farms would be enabled to take other jobs which would pay them enough so that they could make a better living, and at the same time be sure of some income from the marginal lands from which they have been trying to make a livelihood.

Mr. President, the veto is in line with the announced and steadfast policy of this administration to eliminate the marginal farmers, to plow them under, for they have been here long enough.

Mr. President, there are those who say that Mr. Eisenhower has given up any hope of getting any farm votes, and wants to eliminate as many of them as he possibly can between now and the election in November. I wish to say, Mr. President, that he is eliminating them as productive units in our farm economy; but he is going to get the shock of his life when he receives the returns from their voting, next November.

A while ago the distinguished Senator from Louisiana [Mr. ELLENDER] said he feared the President had vetoed the bill without knowing what was in it. I wish to say that I am convinced that the President vetoed the bill without knowing what was in either the bill or in the veto message. I would challenge him to hold a press conference and let the representatives of the press ask him what was in the bill and what was in his veto message. If that were done, I do not have the slightest fear that he would be able to give a comprehensive answer to either question.

Mr. President, I read these words in the second paragraph of the veto message:

A sound, constructive 9-point program to this end was submitted on January 9, with an urgent request for action.

He was talking about the so-called farm program which he submitted to the Congress.

Then he said:

It was a program that came from the grassroots.

The grassroots of what, Mr. President. The grassroots of what golf course? I wonder if that is where the President's farm message came from. Certainly it did not come from the grassroots of the farm families of the Nation.

I wish to say that that statement in the veto message is an insult to the House and the Senate and to the Agricultural Committees of both bodies and

to every Member of the Congress who voted for the conference report on the farm bill. It is an insult to the 15 distinguished Republican Senators who voted for the conference report. I wish to say that any one of them knows more about the grassroots sentiments among the farm families of this country in regard to farm matters than either Mr. Eisenhower or any of the persons in the top echelons of his Department of Agriculture will ever learn. Furthermore, I wish to state that each of the 48 Members of the Senate who voted for the conference report on the farm bill knows more about the sentiments of the grassroots farmers of this country than the President could ever even conceive of.

Mr. President, I desire to state that the shock which would come to the President, great man that he is, if he were really to receive the information about the grassroots sentiment in this country in regard to his farm policies, would be so terrific that I would even be uneasy about the health of the senior Republican member of our Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN].

If the scintillating brilliance of the truth with respect to the sentiment at the grassroots should ever penetrate the insulated walls of the White House, as presently occupied, the shock would be so terrific that the citizenship of this District would think that an atomic bomb had landed there and exploded. The President is allergic to sentiment from the grassroots, unfamiliar with it, and uninterested about it. He says in his veto message:

The problem is price-depressing surpluses.

Undoubtedly there is some degree of fact in that statement.

Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued.

Yet by his veto of the farm bill he has increased that problem. He did not diminish it. The farm bill as passed had within it provisions whereby that surplus could be curtailed and future production limited. As the distinguished Senator from Louisiana so ably said, the veto of this bill will not reduce the production of farm products in this country. It will increase it.

The President complains about the price support for feed grains and grain sorghums. The provision of the bill relating to them was the only effective approach ever made by the Government of the United States to bring about an equitable reduction of acreage planted to feed grains and grain sorghums.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. YOUNG. I thoroughly agree with the Senator from Oklahoma that this is the best provision of the entire bill, from three standpoints: first, from the standpoint of bettering the actual cash price of feed grains; second, from the standpoint of reducing surpluses; and third, from the standpoint of making the soil-bank program work. We might add a fourth. This program would do more for

the small farmer than any other provision in the bill. In order for a farmer to get the 85-percent supports for small grains he would have to put 15 percent of his small grains acreage under the soil bank. We would get more acreage in the soil bank under this part of the bill than under all the other provisions together.

Mr. KERR. The Senator is eminently correct. What a tragedy it is that that information would come as such a shock to the President of the United States, if he were ever permitted to learn the truth of what the great Senator from North Dakota has just said.

On the third page of the President's veto message I find this language:

We now have sound and forward-looking legislation in the Agricultural Act of 1954.

Nearly everything else in the message disputes that statement. The action of the Congress disputed that statement. Every farm family in America knows that that statement is false. The President, by his announcement as to what the Secretary of Agriculture was going to do, conclusively proved that that statement was false.

At the same time he vetoes the Act of 1956 he promises to spurn the Act of 1954. In the very same message in which he refers to the act of 1954 as "sound and forward-looking legislation," he sets forth in detail the means whereby he expects to ignore it, override it, and spurn it. Thus even a child would know that his statement about the act of 1954 is not sincere.

It has been proved false by experience, and that proof is pointed up and verified by what the President himself says as to what he and the Secretary of Agriculture intend to do in 1956, which does not conform to the Act which he himself says is sound.

There is this to be said: The President acted with dispatch. If being on the golf course in Augusta, Ga., enables him to handle big questions as expeditiously as he handled this one, he ought to spend the rest of his term there.

Members of our Committee on Agriculture and Forestry worked for more than a year on the bill. They began intensive hearings last October, which lasted for months. They started extensive sessions when the Congress convened, which sessions lasted for weeks. The Congress debated and worked on the bill for month, and hammered out on the anvil of hearings, through the voice of the people, information from the grassroots, and debate in the committee and in the Senate, not a perfect bill, but a great bill. The President of the United States vetoed it in 15 minutes.

Distinguished Republican Governors from States in the agricultural area called and requested an audience. I understand from the press that they were at the White House this very morning. The President told them to come to the White House and he would talk to them about whether or not he would veto the bill. Yes, it had already been vetoed for days. Benson carried the veto message to Georgia. The press told us that the Secretary went down there to talk about it with the Presi-

dent. He went down there to give the President the veto message.

I see from the press that 15 distinguished Republican Senators petitioned the President to sign the bill. His reaction was about like that of a justice of the peace in Oklahoma in the early days. He had a case before him. The attorney for the plaintiff presented his argument. Then the attorney for the defendant rose and started to make his argument. The judge said, "Go right ahead and make your argument. Speak as long as you like, and say anything you wish to say; document it as you will. When you finish, you will find my decision in this top drawer, but I must leave now to attend to other matters."

The President is too busy recovering from one vacation and getting ready for another to listen to 15 Republican Senators or 4 Republican governors petitioning him with pleas from the grassroots.

No longer can any outraged American say that Eisenhower is not to blame for the farm policy of this administration, for the acts of Secretary Benson, and for the veto of this bill. Mr. Benson has a great many skirts. I shall not assert what shape they are in, but Ike can no longer hide behind them. The mask of hypocrisy has been stripped, and now he must stand forth in the full glitter of the shining truth that he is the implementor and architect of this farm policy. The nails that have been driven into the farmer's hands, the cross upon which he is being crucified, may have been furnished by Benson, but the hammer that drove those nails into the farmer's hands was wielded by the hand of Eisenhower. The hand that placed the crown of thorns upon the farmer's head was the hand of Eisenhower.

It would be tragic indeed, Mr. President, if the action of the President was the result of a conviction that he is against fixed price supports. However, he cannot even have that refuge for his action. In his recommendation for the Dixon-Yates contract, he proved that he was not against fixed price supports, or against 100 percent of parity. By his direction, the Atomic Energy Commission wrote the contract with the Southern Power group by which they were guaranteed 125 percent of parity for 25 years.

The Federal Reserve Bank recently again increased the discount rate on commercial paper, with the result that interest rates will again go up in every financial transaction in the commercial marts of this Nation.

Therefore, President Eisenhower is not against fixed price supports, and he is not against 100 percent of parity, as a general principle. He is against them only as applied to the American farmer.

I believe the most tragic domestic act of this administration was this ill-conceived, unwarranted, unjustified, and penalizing veto by the President of the United States.

Mr. LANGER. Mr. President, this is a tragic day. Within a few weeks Republicans from all corners of this country the Republicans will meet in the State so ably represented by the Senator who is the acting minority leader at the moment, the Senator from California

[Mr. KUCHEL] and draw up a platform. They will send that platform all over the Nation, and appeal for votes for the Republican Party.

Mr. President, only the greatest optimist, I may say to my distinguished friend the acting minority leader, would believe a single plank in that platform. A man who will deceive you once will deceive you again. The Republican Party set up a platform in 1952, and the man it nominated for President of the United States, running on that platform, went to Kasson, Minn., and said, "I am for 90 percent of parity, and it should be 100 percent." Then on October 4, 1952, he came to the Field House of our State college at Fargo, N. Dak., and repeated that he was for 90 percent and that it should be 100 percent, and the farmers there believed him. Then he went to South Dakota and Iowa, and day after day repeated that he was for 90 percent of parity, and that it should be 100 percent. Who will believe the Republican candidate? At the first opportunity the President has to make his word good, he reneges. What does anyone suppose the people will say to him, if a candidate makes such promises and does not keep them?

Why, Mr. President, only a short time ago the Vice President, Mr. Nixon, who had run with Eisenhower on that same platform, and was familiar with the promises made by the President of the United States when he was a candidate, cast the vote that broke the tie in the Senate against a 90 percent of parity provision in the farm bill.

Mr. President, the farmers are not as dumb as the leaders of the Republican Party think they are. Within a few days after Mr. Nixon cast his vote as Vice President, I received word that a big sign had been erected in North Dakota, and on it was printed, "He lied to us."

I do not have the least doubt that in the next campaign the Democrats will have signs erected in the farming States which will enunciate that same doctrine, and which will say, "He lied to us." It is a tragic day when the people of the United States cannot rely upon the word of the President or of the Vice President of this great Nation.

Therefore I say to the distinguished acting minority leader, "I do not care what you put in your platform. You can promise everything from the bottom of the earth to the top of the moon. Those farmers who have been lied to once are going to look askance at future promises made to the farmers of this great Nation."

I am happy in the fact that as the representative of the Abraham Lincoln-Theodore Roosevelt-Bob La Follette-George Norris-Republican Party, I have time and time again enunciated the doctrine of those great men on the floor of the Senate. Can anyone imagine any one of those great men, running on a platform and going all through the farming area and making a definite promise, saying to the voters, "Vote for me if you want 90 percent of parity, because that is what I stand for," and can anyone imagine having the candidate for Vice President of the United

States follow in his wake echoing that promise, and then at the first opportunity either one of them had, breaking that promise made to the farmers of this country?

For the third time I want to tell the acting minority leader, the Senator from California [Mr. KUCHEL], my distinguished friend, "You can have a committee from now until the day of your convention drawing up platforms and putting in paragraphs that may appeal to certain groups of voters in this country. They will not believe you, no matter what you put in your platform."

I had accepted an invitation to attend tomorrow night the dinner given by the Republican Party, which will be addressed by the Chief Executive of this great Nation. Mr. President, I would be ashamed to go there. The farmers of my State would be ashamed to have their senior Senator attend that banquet.

I wish to compliment the Republican members of the Committee on Agriculture and Forestry, particularly my distinguished colleague from North Dakota [Mr. Young]. He fought very hard to make the Republican Party carry out its promises. Certainly, the veto of the President of the United States cannot be held against my distinguished colleague. He fought on the floor of the Senate and he fought in committee. He fought openly, and he even antagonized the Secretary of Agriculture in his fight for the farmers of the State of North Dakota and for all the farmers of this great Nation.

Mr. President, some of my Republican colleagues who voted for the bill which the President has vetoed kept faith with the promises made by the leader of the Republican Party, temporarily.

In conclusion, Mr. President, I simply wish to state once more that I believe a campaign promise made by a President or a Vice President during their campaign should be kept.

On that note, Mr. President, I close these remarks.

Mr. KUCHEL. Mr. President, first of all, I wish personally to welcome to the Senate the present Presiding Officer [Mr. WOFFORD in the chair]. I hope that during the time the present Presiding Officer remains a Member of the Senate he will derive the same enjoyment from his service here that I have experienced in growing degree during the past 3 years.

I wish to say, Mr. President, that the type of utterances heard on the floor today, in my judgment, are a little bit lower, a little bit uglier, than those to which I have been accustomed to listen in my days here. We are governed in the Senate by rules, some of which are a little loose, and I suppose some of which are ambiguous. Some, in my view are wrong. But they govern us. There are some regulations with respect to the quality of one's utterances, and, I think, implicit in the rules of the Senate is some injunction that one ought to debate free of rancor or bitterness, and upon a reasonably decent plane.

Of course, Mr. President, there is one precedent which was established a year or so ago when a majority of the Senate saw fit to censure a Member for some

utterances he had made off the Senate floor. But, apparently, Mr. President, there are some things a Senator can do with complete impunity in the Senate of the United States. He can, it will be observed, revile the President of this free country, if he wants to, and, apparently, no rule is broken by his doing so. A Senator can obtain the floor and can besmirch and vilify and condemn the President of the United States because he goes to church. A Senator can use the rostrum, as has been done, to assert that the President is physically incapable of discharging the duties of his public office. A Senator can, apparently, under the rules, vent as much spleen as he desires against the Chief Executive of this country.

Mr. President, I thought some of the comments this morning on the presidential veto of the farm bill were almost frenetic, and certainly were fantastic.

I hurriedly wrote down one of the phrases of my good friend, the majority leader. The present national administration, so says the Senator from Texas, believes that low farm prices are the answer to the farmers' problems. That statement is so patently wrong as hardly to require denial. I think my good friend from Texas was a little bit overly inclined politically when he made that statement.

At any rate, I do not think anyone can question the fact that Dwight Eisenhower vetoed the farm bill because he decided that to do so was in the best interests of the country; and I do not think anyone can accuse him of trying to obtain the farm vote by the action which he took today.

My friend from North Dakota made some comments just a few moments ago, and indicated that the platform which will be written this year by the Republican Party will not be believed by the American former or by the American people generally. I do not know how many people read the CONGRESSIONAL RECORD any more, and I sometimes wonder if Senators are needlessly taking the time of the Senate in making comments in the Senate.

But let the RECORD show that in 1948, the Democratic national platform promised the people of the United States flexible price-support legislation for basic farm commodities. That was a solemn promise to the people of the United States. It so happened that in 1948 the Republican platform made exactly the same compact with the American people. President Truman was re-elected, and, to his everlasting credit, in 1949, he asked the Congress of the United States which was in control of the party to which he belonged to fulfill the commitment which the Democratic Party had made to the people of the Nation. It did not do it. It refused to do it. Four years later, Dwight Eisenhower asked a Republican Congress to adopt flexible price-support legislation, and it did.

Who on the floor is responsible in great measure for the fact that 2 years ago we adopted flexible price-support legislation? Mr. President, he is a great American. He is a member of the Democratic

Party, and he was Secretary of Agriculture during the administration of President Truman. I respect CLINTON ANDERSON, of New Mexico, Mr. President, for standing up and treating American agricultural legislation as an American and in urging the Congress to do that which he had urged and which his chief had urged when the Senator from New Mexico was a member of the Cabinet. He helped lead the successful bipartisan fight for flexible price-support legislation 2 years ago, and the successful bipartisan fight against rigid price support this year in the Senate.

Mr. President, farm legislation is not going to be too much of a partisan issue in the coming campaign. When the other day we had an opportunity to vote for or against the conference report on the farm bill, most Republicans voted against it and a number of my brethren on the other side of the aisle voted against it. I think some of them will speak on the floor a little later on this afternoon. But let the RECORD show, Mr. President, that it was a bipartisan Senate majority 2 years ago which adopted flexible price support legislation, and when the attempt was made in all its nakedness in this session to have the Senate approve 90 percent of parity, a bipartisan majority turned that down too.

Mr. President, I become a little tired of hearing some of my brethren call the President of the United States all kinds of terrible names. But, as I say, Mr. President, apparently that can be done in this great and august body. Senators can remain immune from any type of censure or stricture or admonitory taps on the back of the hand so long as they confine their epithets to the President of our country.

Mr. President, I ask unanimous consent that an excellent editorial appearing in the Washington Post and Times Herald this morning, entitled "What Kind of Veto?" be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT KIND OF VETO?

President Eisenhower's decision on the farm bill is extremely difficult because Congress seems to have left him only a choice of evils. If he should sign the bill, he would again write into law principles which he and a very large portion of the people (farmers, consumers and economists alike) believe to be unsound. If he should veto the bill, it is said that he would deny the farmer any additional relief this year from what is admittedly a serious economic plight. No wonder the President is deeply perturbed by this dilemma. There is, however, another way of approaching the problem.

We think the country will not be satisfied by acquiescence in either of the two above-mentioned extremes. Despite the sharp division over support prices at 90 percent of parity, the country wants farm legislation. Specifically, it wants the soil bank embodied in the present bill. This is evident from the widespread support given the soil bank in both political parties and the almost complete absence of opposition, although there are many differing views as to its effectiveness in reducing farm production. If the President vetoes the bill, therefore, we do not think he should accept the assumption

that no other farm legislation will be passed this year.

This newspaper has already expressed the view that a veto is desirable. But the veto need not be merely negative. The Administration has extensive authority to alter price supports within the 75 to 90 percent formula now on the books. The President could raise basic support levels for this year only without upsetting the principle of flexibility, and he could make such action contingent upon the passage of a new soil bank bill by Congress. A simple bill for that purpose could be enacted within a week if Congress made the effort. The result would be constructive relief of the farmer's plight instead of mere political warfare to win votes.

To our way of thinking, such a compromise would be preferable either to the signing of a basically unsound bill or to a veto that would merely toss the problem into the lap of the next Congress. Additional aid to agriculture is urgent now. The President can return this unacceptable bill to Congress along with a powerful plea for enactment of the soil bank to which there is virtually no opposition. If the administration shows its willingness to meet Congress half way, we cannot believe that Congress would turn a cold shoulder to the only farm measure that has a chance of approval.

Mr. SCOTT. Mr. President, the President has seen fit to veto a bill with reference to which we have met constantly in committee since last August, hearing farmers and groups representing farmers. Yet the President sees fit to help farmers in foreign lands to the extent of \$4,859,000,975, and denying our American farmers about \$2 billion.

DECLINE OF DRINKING AND DELINQUENCY AMONG NORTH DAKOTA INDIANS AS A RESULT OF A NEW INDUSTRY

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Drinking and Delinquency Decline Among North Dakota Indians as Result of New Industry," published in the Lewistown (Mont.) Daily News of March 21, 1956.

I take great pride in calling attention to the role being played by the Bulova jewel bearing plant at Rolla, N. Dak., in curbing delinquency. Various hearings held throughout the country by the Subcommittee on Juvenile Delinquency have shown the beneficial effects of industry in depressed areas through better living conditions with, consequently, less delinquency. I might point out that Senate bill 2663, on which hearings are being held by the subcommittee headed by the senior Senator from Illinois [Mr. Douglas], provides for the relief of depressed areas through industry, and the Senator from Illinois has agreed with the Senators from Montana and North Dakota to include Indian reservations within the purpose of the act. If the results as shown in North Dakota are any indication, then initiating industry in depressed areas throughout the country should cause a great improvement in living conditions, and it necessarily follows that there will be less juvenile delinquency.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DRINKING AND DELINQUENCY DECLINE AMONG NORTH DAKOTA INDIANS AS RESULT OF NEW INDUSTRY

Drinking among Indians and delinquency among their children has been a much discussed subject in Montana.

Not that these problems are exclusively Indian—they're not, as everyone knows they also much concern whites, everywhere in the Nation as well as in Montana.

This editorial discusses drinking among Indians, and delinquency among their children, because of the remarkable progress that has been made in lessening these problems at the Turtle Mountain Reservation near Rolla, N. Dak., since the establishment there a few years ago of a jewel bearing plant by Bulova.

The company had been asked to come in to provide employment for idle Indians.

The Lewistown Daily News has taken a great interest in this plant because of the fine precedent it has established.

It has proven that Indians are able and faithful workers once they are given the chance. It has demonstrated that certain types of industry may be established, with much success, on or adjoining Indian reservations. It reveals that this means can be used effectively in enabling Indians to become useful, prosperous, and self-supporting citizens even though living on reservations where there had previously been little opportunity.

Now there are two new and equally pleasing revelations as a result of the Rolla plant. Drinking among Indians has tapered off considerably, and delinquency among Indian children has decreased about 60 percent.

The authority for this startling statement is Clarence Johnson, sheriff of Rolette County, where the Turtle Mountain Reservation is located.

Since a letter he wrote on the subject is so revealing, and offers so much hope for the Indians if similar developments can be secured on or adjoining Montana reservations, the Daily News reprints the entire letter as follows:

ROLLA, N. DAK., February 3, 1956.

Mrs. STANLEY SAUGSTAD,
Minot, N. Dak.

DEAR Mrs. SAUGSTAD: The juvenile delinquency on the Turtle Mountain Indian Reservation among the Indian people has decreased about 60 percent in the past 2 years. I have figures to this effect. I think the reason for these figures is the employment in the jewel bearing plant, which is located here in Rolla, N. Dak.

When John B. Hart, who is an attorney in Rolla and also executive secretary of the North Dakota Indian Affairs Commission, began working to get a factory of some sort for these people to work in, he had to make several trips to Washington, D. C., in order to get something built for them. After much work on his part, the jewel bearing plant was built in Rolla and it has proven to be the most wonderful thing that has ever happened to the Indian people in this area. The first year there were only about 60 people employed in the plant, but a year later an addition was built. I talked to Mr. Anderson, superintendent of the plant, and he states that they now have 136 employees, nearly all Indians. They expect to employ more soon. The starting salary now is \$1 per hour. It is a busy little factory; everyone comes to work at 8 a. m. Some bring their lunches with them and others eat at the local cafes. They also have some bus service and others drive their own cars to work.

We have about 5,000 Indians living on the Turtle Mountain Indian Reservation. Before the jewel plant started, we had all sorts of trouble. Things were unorganized and nearly all the Indian families were on some type of welfare help—either through grants from the Indian agency at Belcourt or

through the county welfare program. This was all being done to keep them in existence, but the homelife among the people was getting to be a critical situation. There was nothing to keep the family together and because there was no work in the immediate area, the husband or wife could leave the home at any time. No one had any responsibilities in providing necessities for the home. Many homes were broken up this way, therefore it caused hardships to the children and quite naturally, it did not help the juvenile delinquency problem.

I have personally visited the homes of these people, both before and after their employment at the jewel bearing plant. I find that the homes are now more stable because of self-support and hard work. Although the salaries are not large, planning in the home is fairly good. They manage with what they get. For instance, the families take their children to a show once or twice a week and possibly to some other social gathering once or twice weekly as well. A certain amount of security has now come into the homes. I absolutely think there is less drinking among those who are employed, because they have their jobs to think of and they know they have to get up early to get to them. If, as in most cases, the wife works, the husband has to gather wood and take care of the household while his wife is away for the day. This works out fine. Before, the children were left alone a good deal of the time. Much drinking and dancing was carried on in the homes until all hours of the night. The younger people saw all this and naturally followed the same routine, and as a result they would be constantly missing school.

I have noticed that since the plant was opened, the homes are in better condition and the people have better furnishings in their homes. This all has a lot to do with juvenile delinquency in as far as the parents now have taken back the responsibility of their families, which in my estimation, was their biggest problem to begin with.

The Indian people have received too freely from the different welfare agencies, and for this reason they have lost their sense of responsibility. I fully realize that the welfare agencies are doing a fine job in helping those who are in need of their services. But the point is this, when families are receiving assistance, a case worker is sent to their homes to survey their needs, to arrange for any medical program that might be necessary for different members of their families and in short, to solve all their problems for them. In these cases, they no longer have to think for themselves and that is why I feel that they had lost their sense of responsibility.

After these people become employed in places such as the jewel bearing plant, they have the satisfaction of earning their own money and they learn to manage with what they have. Therefore, they take over the responsibility for their families and create more secure homes. This has proven very helpful in controlling juvenile delinquency in this area.

I have been here over 3 years and have experienced what I am writing. Thank you.

Yours very sincerely,

CLARENCE JOHNSON,

Sheriff of Rolette County, Rolla, N. Dak.

There is reason for real encouragement from Sheriff Johnson's observations.

A better opportunity and life for Indians, a better break for their children.

Bulova deserves credit for its taking a chance and pioneering in bringing industry to the Indians.

The Indians on the Turtle Mountain reservation have proven overwhelmingly what they can and will do when they have the chance.

So here is an achievement—a guide as to what can be done on other reservations.

Action and many more Democrats for American Action.

In the clamor of this election year, I devoutly hope, for the sake of our country, that Mr. Fritchey and his immediate superior, Mr. Paul Butler, will harken to this advice. It would be a major step toward answering the unshakable challenge created by the Democrat National Committee's guidance of liar Hughes.

In his trial testimony, Fritchey repeatedly described the vigorous activity at the Democratic National Committee which accompanied the Hughes narrations. Stenographers, researchers, and secret messengers supplied from the committee staff, and acting on priority orders, participated in the project. Yet, Fritchey avowed that it was not a committee project, but rather his own individual effort.

Fritchey also told the jury that all the Democrat Party had was a deficit. Still, he was able to tap his own till, he tells us, and that of several committee employees, for sums ranging up to \$800, to further his private project.

This arms-length attitude of a stiff-necked virtue in keeping the project entirely unofficial, led the defense attorney at the trial to conclude:

In other words, in effect, Clayton Fritchey, the individual, kept such information from Clayton Fritchey, the deputy chairman of the Democratic Committee, in effect?

To this query, the Government prosecutor appropriately commented:

That is a pretty hard question to answer.

The disgusting moral tone of the project and the corrupt principles which actuated Fritchey to cast his lot with Hughes were revealed in open court.

The defense attorney asked Mr. Fritchey concerning his encounter with Hughes:

When you arranged to meet him, you had information which would lead you to believe that he was closely associated with Senator McCARTHY and that you might be able to have a spy in the Senator's camp, right?"

Mr. Fritchey answered:

Yes.

The defense counsel continued:

And that didn't disturb you any, did it, that you should have a spy in the Senator's camp?"

Mr. Fritchey said:

Well, I would say that if this had resulted in his being able to prove the charges that he was making and to demonstrate to the public that a senior official of the Government was corrupting the Government, I would have considered it a signal public service.

Defense counsel asked:

In other words, the means would justify the end?

Mr. Fritchey replied:

Correct.

Now, Mr. President, that answer by Mr. Fritchey points up vividly the whole paradox of this affair. We find the tacitly self-righteous Deputy Democratic National Chairman actively condoning the use of spies, subterfuge, and secret in-

formers which, out of the other side of his mouth, he condemned as a part of the so-called "terrible tactics" of the Senator whom he sought to crucify.

We should remember, too, that the loudest anti-McCarthy criticism by the likes of Mr. Fritchey and Mr. Rauh followed the line: "We approve of his objectives, but we don't like his methods." In other words, the tactics ascribed to Senator McCARTHY by his left-wing antagonists did not justify the patriotic aims of Senator McCARTHY; but, when employed by these shining knights of the Democratic National Committee and the ADA, in a morally deceptive affair of political chicanery, they constituted, in Mr. Fritchey's own words, "a signal public service."

I would remind the Senators, also, of the analogy given by the junior Senator from Wisconsin in answer to the critics of his "methods" in ferreting out Communists. He said—and we all remember it—"You can't go skunk-hunting in a high silk hat."

How much more noble and truthful it would have been for Fritchey and Rauh—second to none among the McCARTHY haters—to have applied a similar admission to the object of their detestable assaults. Surely, being on the opposite side of the political and ideological fence from Senator McCARTHY, they hold no less contempt for him than he evidences for the cause which they—unwittingly, of course—support.

Continuing with the Defense Counsel's cross examination of Deputy Democrat National Chairman Fritchey, we find this question:

Do you recall whether Hughes at any time expressed any opinions which caused you seriously to doubt his ethics or morality?

Mr. Fritchey replied:

No, not one single thing, no.

No comment of mine upon this answer could speak so eloquently or decisively as the following excerpt from a December 1953, memorandum from Hughes to Fritchey which was an exhibit, and part of the evidence, in the trial:

Phone taps can be utilized (against McCARTHY) * * * Don't discount the tremendous value in just bargaining power of recorded phone discussions.

The memorandum continued:

A program of this type, although not nice, can result in harm to no one except (McCARTHY) * * * As mentioned earlier, being nice, too ethical, or squeamish, will accomplish less than nothing, where McCARTHY is concerned. McCARTHY has stated many times, "Ethics went out the window with button shoes." So therefore I don't see the necessity for us to send a boy to do a man's work. If both Federal and civil law-enforcement agencies use the same unethical procedures to bring to justice criminals, are we not justified in using similar methods to expose (McCARTHY) * * *? It is most easy to prove and document (McCARTHY's guilt) by relaxing somewhat on ethics. This is probably what I'm best suited for.

There, Mr. President, in one brief quotation, is revealed the shocking issue in this discussion: Paul Hughes, admittedly a liar and self-professed expert on un-

ethical procedures, received payment from an official of the Democratic National Committee to supply that official with false and defamatory information concerning a duly elected Member of the United States Senate in the performance of his official and patriotic duties.

At another point in the trial the defense counsel asked Mr. Fritchey:

Did you ever attempt to check with anybody, Mr. Fritchey, on the authenticity of any of the material that was given you?

To this Fritchey replied:

No; I don't think * * * Not beyond our own scrutiny of it.

At another time during the trial Mr. Fritchey said that he had taken some of the material Hughes gave him to a notary and made an affidavit that he had received it from Hughes "before a certain date."

The defense counsel asked in this regard:

Now, you said that you had taken certain of these transcriptions and those typed things to a notary so as to indicate that you had received them before a certain date; right?

Mr. Fritchey:

Correct.

Defense attorney:

Did you ever suggest taking Hughes along so he could swear that they were true before the same notary?

Mr. Fritchey:

No.

It is, indeed, a sordid tale. Clayton Fritchey is the Deputy Chairman of the Democratic National Committee. He is the editor of the Democratic Digest, which is sold on newsstands and sent through the mails to subscribers. He is the Democratic National Committee's principal "seeker after the truth."

Yet, Mr. President, the facts of the Hughes case prove beyond any reasonable doubt that Clayton Fritchey is either a blind fool or one of the most unscrupulous and unethical political beavers in the history of our country. He may be all of one or all of the other, or he may be a little bit of both. In any case he is certainly a questionable pacesetter of loyal Democrats of principle and integrity.

In summing up the case to the jury the defense counsel, Mr. Erdmann, had this to say about Mr. Fritchey:

The first man or major witness that I want to discuss, although he was called somewhat late in the proceeding, is Clayton Fritchey, because, as the defendant contends and we urge, Clayton Fritchey was in at the beginning.

The Hughes case then, clearly and unquestionably, involves an attempt to discredit a committee of the United States Senate—not to discredit it legitimately but, rather, to do it with a mountain of scandalous and fabricated information and with the sponsorship of sworn enemies of congressional efforts to expose the Communist conspiracy.

We have here a secret informer being paid for double-crossing his alleged employer. In this I see bribery in its most flagrant form.

We have here under-the-table payments in cash for the most absurd batch of lies ever concocted.

We have here a working arrangement between the Democratic National Committee and the leader of the leftwing Americans for Democratic Action.

Are not my Democratic colleagues in the Senate concerned about this deplorable episode? Is Mr. Fritchey really the kind of man my friends on the other side of the aisle wish to have superintending the activities of their national political organization and conducting its public relations? Does the Democratic candidate for President in 1956, whoever he may be, wish to come before the American people and ask their confidence with this monstrous deception hovering above his head?

Perhaps Mr. Paul Butler, the quite vocal chairman of the Democratic National Committee has not had the time to read the trial testimony that is available to him. Certainly, to this hour, he has attempted no explanations or apologies for the actions of Clayton Fritchey, his deputy. Perhaps Mr. Butler has not even availed himself of the opportunity of reading the press comments on this fiasco. His silence implies either shame or ignorance. If he is not aware of what has been going on in the ranks of his committee staff, or if he is not concerned about the consequences of the Hughes hoax, he is surely laying the political integrity of a great political organization on the block of public censure.

It would seem on the surface to be an unnecessary gesture to call to the attention of the Democratic national chairman this case of the secret informer and his financial mentor and guiding angel, Mr. Fritchey.

It is the job of the Democratic Party to police its own house. It owes that much to the American people and to its faithful partisans throughout the country.

Perhaps, on the other hand, Mr. President, Mr. Butler's silence is of greater shame than we suspect. Perhaps Mr. Fritchey's influence inside the councils of the Democratic Party weighs more heavily upon Democratic policy than has yet been admitted publicly.

After all, Mr. Butler himself has never shown any aversion to the application of highhanded political tactics. This was clearly demonstrated by his brazen suggestion that legislation, however discriminatory, should be pushed in the Congress to aid in the election of Democratic Senators and Representatives in areas where appropriations for the expenditure of Federal funds on public projects would endear the proponents of such measures to the voters of the affected States. In other words, like Mr. Fritchey, Mr. Butler seems to regard the function of Congress as purely a political one. He mentions, for instance, that the Niagara bill is of "tremendous importance to the reelection of Senator LEHMAN," and that the \$500-million Federal plan for Hells Canyon should be passed, since it will be "a vital factor in the reelection of Senator MORSE and Representative EDITH GREEN."

Mr. President, it could be that I have misjudged Chairman Butler, but in view

of the proven tendencies of his understudy, Mr. Fritchey, I find this comparative speculation worthy of the closest scrutiny by the American people.

What I should like to leave with the Senate; in concluding this discussion, Mr. President, is this question: Does the "cops and robbers" technique of Deputy Chairman Fritchey constitute the Democratic National Committee's answer to its search for issues in the coming campaign? If it does, then I suggest that the choice before the American voters in this election year will be distinctly one of political courage and integrity. Indeed, Chairman Butler and his committee need look no further for an issue for their campaign. Mr. Fritchey has provided a classic one, and by his silence, Mr. Butler has endorsed it.

It will be interesting to observe how my Democratic colleagues respond to this challenge, which, though inspired by their own national committee, will be hurled at them by an aroused citizenry during the coming months.

I hope, Mr. President, that the perpetrators of this intrigue will find their punishment in the wrath of men of character and integrity within the Democratic Party.

It is disturbing, however, even to a Republican, to consider that such punishment might overflow its banks and swamp the service of those Members on the other side of the aisle who are themselves innocent of this blight upon the record of their party.

Mr. President, I yield the floor.

Mr. McCARTHY subsequently said: Mr. President, I should like to take about 30 seconds to thank the very able Senator from Arizona [Mr. GOLDWATER] for the comments he has made today regarding the Hughes case.

I wish he had gone a bit further and had discussed the part the Washington Post took in this case. The Washington Post, which has been criticizing the methods of McCARTHY, took part in this payment and took part in this conspiracy—Wiggins, Friendly, and Murrey Marder. I think Marder was less responsible than were Wiggins and Friendly. Wiggins certainly took a major part in the conspiracy. And up to this time they have not apologized. They have not admitted their part in the conspiracy, even though it has been proven in court that they took a major part in it—one of the most irresponsible acts on the part of a newspaper that I have seen.

I again thank the very able Senator from Arizona for his discussion of this case.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Arizona.

Mr. GOLDWATER. I wish the Senator from Wisconsin had been in the chamber when I had the floor and was making my short speech. I wish to tell the Senator from Wisconsin that I have heard—in fact, I have read—something of the implication of the various newspapers in this dastardly plot with Mr. Fritchey and Mr. Rauth. I did not feel I knew enough about it, from the evidence I was able to see, to speak competently on the floor about it. I sug-

gest, therefore, that if the case can be further developed, certainly it would be enlightening to the people of America to have the Senator from Wisconsin discuss the newspaper angle. I wish I had felt competent enough to do it, but I did not desire to explore in that area—an area about which I knew so little.

Mr. McCARTHY. I hope the Attorney General's office will go into that case and procure indictments of those engaged in the conspiracy. If the Senator or I had been guilty of what these men did, we would have been indicted long since. I think there is a very definite duty on the part of the Attorney General to act as I have suggested.

VETO OF THE FARM BILL

Mr. HOLLAND. Mr. President, the veto message of the President of the United States on the farm bill, which I strongly approve, presumably brings an end to one of the hardest legislative fights, in which the greatest difference of opinion was manifested, in connection with any issue which has been decided by the Congress in recent years.

In order that the RECORD may clearly reflect how keen was this difference, both in committee and elsewhere, I wish to recite a few facts at this time.

The Senate Committee on Agriculture and Forestry consists of 15 members, 8 of us being Democrats and 7 Republicans. On the issue which become perhaps the dominant issue as the bill was considered, the issue of the restoration of the 90 percent rigid price supports, the committee divided 8 to 7. Not only was that division in the committee as close as it could possibly be, but the members of the committee on both sides of the table were as evenly divided as it was possible for them to be and still leave an 8-to-7 vote on this particular issue. As to the Republican members of the committee, sitting on the opposite side of the table from myself, they were divided 4 against the restoration of rigid price supports and 3 in favor of restoration. As to the Democratic members of that committee, we were divided 5 to 3, that is, 5 for the restoration of rigid high level price supports and 3 against that issue.

Not only was that close division found in our committee, but likewise, in the conference committee, the representatives from the Senate were divided on this issue as evenly as they could be, that is, 3 to 2.

I invite attention to these facts at this time preliminary to saying that I was present much of the time at all stages of the debate in the field, in the committee, and in the conference committee, as this measure was heard and determined. I wish to say for the record that I do not believe any member of the committee, or of the conference committee, changed his mind in the slightest upon this particular issue, and upon most other vital farm issues, throughout nearly a year of discussion. Apparently the conviction of the Members was very deep.

So far as I am concerned, I am perfectly willing to accord to Senators, who did not feel as I do, the depth of conviction and the soundness of conscience

which I hope they will accord to me. The difference of opinion was very real. The depth of conviction was very great. There was not a single change of position in this important field during the course of the hearings, the debate, and the conference.

I have made these statements preliminary to the making of another which it seems to me hardly needs to be made, and that is that I think those members of our committee and those Members of the Senate and House who attributed to the President of the United States a smaller degree of conviction and a lesser degree of courage than they themselves had were wrong from the beginning. They should have known from the beginning, and particularly in these closing weeks, that the attitude of the President would be exactly as he has stated it in his veto message. Any other conclusion that that would leave us in the position of claiming for ourselves some exalted height of conscientious determination and conviction which we were not willing to accord as being present in the mind and heart of the President of the United States. From the very beginning it has seemed to me, we would necessarily stand on unsound ground if we assumed that the President, by reason of the force of pressure, would change what he had long shown to be his very deep conviction and would approve the bill.

The nonpartisan or bipartisan nature of the support of the bill showed up throughout the debates, both in the committee and in the conference, and was reflected by the votes upon the floor of the Senate. I wish the record now to show that upon the final vote on the conference report 10 Members of the Senate on this side of the aisle showed their continuing disapproval of the measure. I have searched in the press in vain for any indication that more than four Members of the Senate on this side of the aisle failed to approve the conference report.

The records of the Senate show very clearly that four Members of the Senate who are Democrats voted against the conference report, namely, the senior Senator from Mississippi [Mr. EASTLAND], the senior Senator from Florida, the junior Senator from Massachusetts [Mr. KENNEDY] and the junior Senator from Wyoming [Mr. O'MAHONEY]. But the records show with equal clarity that 4 Members of the Senate who sit on this side of the aisle, and who, I think, are as sound Democrats as any we have, paired in such a way as to show their continuing and unalterable opposition to the conference report, those 4 being the junior Senator from New Mexico [Mr. ANDERSON], the senior Senator from Rhode Island [Mr. GREEN], the junior Senator from Rhode Island [Mr. PASTORE] and the junior Senator from Virginia [Mr. ROBERTSON].

Unfortunately two Members of the Senate who sit on this side of the aisle could not be present for the final vote. One was recovering from surgery in Bethesda, and the other was absent in the course of his campaign for reelection. Those two Senators, namely, the senior Senator from Virginia [Mr. BYRD] and

my own distinguished colleague, the junior Senator from Florida [Mr. SMATHERS], saw to it that their position of opposition to the conference report was shown on the record of the Senate where all might see it, not only that day, as did those who heard the sound of the yeas and nays, but throughout the history of this Nation.

In addition to those 10 on this side of the aisle who clearly showed their continuing opposition to this measure, there were 3 other Members of the Senate on this side of the aisle who, for reasons sufficient to themselves—and I honor those reasons—felt, when the conference report was submitted, good as it was in part, and bad as it was in part, that they preferred, in weight, the good values, and therefore voted for the conference report. The same three Members of the Senate, who sit on this side of the aisle, by repeated votes during the course of the debate and the development of this measure, had shown their opposition to rigid price supports, and to many of the other objectionable features of the bill. The three Senators to whom I refer are the senior Senator from Arizona [Mr. HAYDEN], the junior Senator from Delaware [Mr. FREAR], and the junior Senator from Mississippi [Mr. STENNIS]. I wish that fact to show upon the RECORD because, notwithstanding all the talk of politics which has entered into the consideration of this measure since the conference report reached the floor—and I think there are abundant evidences to justify the charge of politics, at least since that time—I want it to be clear from the RECORD that there were men who, for one reason or another, satisfactory to themselves, felt that it was their duty to vote, in soundness of conscience and in depth of conviction, in favor of the conference report, although they had voted against certain provisions which were contained in it during the debate when those individual issues were presented.

I return to the position I took a while ago, and say again that, with all the depth of conviction and soundness of conscience that were shown during the debate, and with the unwillingness of any member of the committee—divided, as it was, 8 to 7, and divided as evenly as it could be on both sides of the table—to change his position upon these critical issues, I think those who jumped to the conclusion that the President of the United States, when the bill reached him, would display a poor conscience and a weaker conviction than they themselves had evidenced were bound to be disappointed. I believe that anyone who has thought for weeks that the President of the United States would do anything else than he has done was leaning on the weakest kind of a reed, and based his opinion largely on wishful thinking.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to my distinguished friend from Louisiana.

Mr. LONG. The Senator no doubt has had occasion to recall the statement the President made in Brookings, S. Dak., when he referred expressly to a pledge to maintain 90 percent of parity sup-

port for the basic commodities. The Senator from Florida never made such a statement, but I am sure he will agree that any man who makes that kind of pledge should keep his promise.

Mr. HOLLAND. In the first place, I was not present at Brookings. In the second place, I was not following with great interest the statements made by the then candidate of the Republican Party, because I was not supporting him. Furthermore, I have heard from many sources that the statement which the present President of the United States made at that time differed in some detail from the statement which has been mentioned by the Senator from Louisiana. I repeat, I was not present, and what I say is based on hearsay, but my understanding was that the present President and the then candidate of the Republican Party said his party was committed to the temporary 90-percent price support that was then provided in the law on the statute books, and that he wanted to make it clear that he would stand by that commitment until the provision expired.

However, I certainly do not wish to argue the point with the Senator from Louisiana, because neither he nor I was present on the occasion when the statement was made. Fine lawyer that the Senator from Louisiana is, he realizes that we would be on unsound ground to argue the matter. Besides that, I do not believe that either of us is interested either in besmirching the character of our President or in upholding his every statement, because his statements will have to stand on the record.

Mr. LONG. If the Senator will yield further, I should like to say that the statements the present President of the United States made, when he was campaigning in Kasson, Minn., and also in Columbia, S. C., showed that those statements left no doubt, as I am sure the Senator from Florida will agree, that the candidate would support the 90 percent of parity program. That being the case, some of us were certainly entitled to rely upon a statement made on at least three occasions by the candidate. Perhaps we should not believe what a man says while he is a candidate. However, certainly some of us had reason to hope that he would keep his promise.

Mr. HOLLAND. I would neither defend nor decry the position taken by the President of the United States. I certainly was not present when he made either one of the statements to which the Senator has referred. However, I call the attention of my good friend to the fact that there are areas in this Nation which have not supported rigid price supports and have strongly favored flexible supports, but they nevertheless strongly supported the President. Therefore there could not have been much understanding on their part that that was the candidate's position.

However, I go back to what I said—and I think it will hold up, and that it cannot be broken down—that the men who were claiming for themselves the right to stand by their convictions—and not a member of the Committee on Agriculture and Forestry changed his posi-

tion on this important issue—were standing on unsound ground when they assumed that the President of the United States would follow any different course than he followed today, since repeatedly, in the course of the last year, he had stated his conviction that high rigid price supports had contributed very greatly to the building up of farm surpluses and to the disastrous condition in which agriculture finds itself. Certainly I have not heard anything even remotely indicating that he was sliding from that conviction.

I believe that my friend from Louisiana and other Senators—and I have the highest respect for them—who felt that the President of the United States, despite his conviction and the dictates of his conscience, would do other than what he did today, were standing on shifting sand. I say that because the President had repeatedly stated that he was going to stand up to his conviction, in spite of various efforts in different parts of the Nation, by men who wanted high rigid price supports, who threatened political reprisal if the President failed to support them. One of them, as I recall, the President of the National Farmers Union, went so far as to deliver to the press, before it was received by the President of the United States, a very insulting and derogatory telegram, which, if anything had been needed to sustain the President of the United States in the firmness of his conviction, would have served to do so.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HOLLAND. I should like first to continue my comments on this point and to yield further to the Senator from Louisiana.

Mr. LONG. I wonder whether the Senator believes that some of us stood on unsound ground when we thought the President would sign the natural gas bill, which he vetoed, even though he said it was a good bill.

Mr. HOLLAND. I do not know too much about that, or as much as some of my distinguished friends know about it, particularly those Senators who are lucky enough to have natural gas deposits in their States. I should also like very much to have it appear in the RECORD that I do not put forth as much gas on the floor of the Senate, but I am afraid that I could not truthfully say that. [Laughter.]

Let me say on that issue that a great diversion came up which created in some minds, though not in mine, the fear that perhaps there was general corruption, so to speak, behind the efforts of some of those who were urging the passage of the natural gas bill. I voted with the distinguished Senator from Louisiana for its passage.

Mr. McCARTHY. Mr. President, will the Senator yield so that I may suggest the absence of a quorum? While I disagree with much he has said, I believe he is making a very important speech, and I believe more Senators should hear it. Therefore, I should like to suggest the absence of a quorum.

Mr. HOLLAND. I appreciate the willingness of the distinguished Senator

from Wisconsin to extend that courtesy to me. However, I would rather proceed with my rather brief remarks. Then the Senator from Wisconsin, on his own time, may be heard and I shall be very glad to suggest the absence of a quorum for him after I have concluded my remarks, if he wishes me to do so.

Mr. President, so much for what has happened up to now in this matter. I said on the floor of the Senate, when the conference report was being passed upon by the Senate, that I thought Senators and Members of the House were overlooking a very real point in the whole issue, and that was the position of the general public throughout the Nation.

I remember placing in the RECORD an analysis of the opinions of country editors throughout the United States, taken from the trade journal which serves that group of very fine people. I remember that that analysis showed, even in the areas where the sentiment for rigid price support was high, that, as a rule, the country editors were shaking their heads and saying that there is not any soundness in continuing that provision which creates overproduction and oversupply and the unremitting buildup of agricultural surpluses.

I have said several times on the floor of the Senate that, so far as the press in my State, the agricultural organizations in my State, and the general public in my State are concerned, I feel that the tremendous majority is strongly against the restoration of rigid price supports, and that there can be no question as to their position in that regard. I have stated in appearances I have made on the floor—and I am afraid I made too many appearances on the floor on this bill—that the Farm Bureau Federation of my State, which is the only organization with a general membership of farmers, throughout the State, the citrus industry organizations, such as the Florida Citrus Exchange and the Florida Citrus Mutual, the vegetable organizations of Florida, particularly the Florida Fruit and Vegetable Association, and the State Cattle-men's Association had repeatedly gone on record in such a way that no one could question or misunderstand how they stood on this important issue. They do not want high price supports reinstated, and, in fact, many of them are against all price supports.

I have always held that reasonable price supports for storable basics, not calculated to create and maintain surpluses, are necessary at this time when we are moving out of the war period. But, unfortunately, Mr. President, many good people, farmers, throughout the Nation, have learned to rely so heavily upon the weak stick of high price supports that they are unwilling or unable to plan for themselves and to produce in such a way as not to oversupply the market.

Of course, no one in Florida knew until today what the President's decision was going to be, but in order that there may be some showing on the RECORD that the people of that State, which produces \$600 million worth of agricultural products each year, have rather strong convictions on this subject, as represented by news-

papers in the centers of agricultural production and as represented, as I have already stated, in farm organizations which I have mentioned. I wish to place in the RECORD some editorials which have come to my attention, which were published the latter part of last week and reflect the attitude of Florida people, I think, correctly.

The first is an editorial from the Tampa Daily Times which I ask unanimous consent to have printed in the RECORD in toto as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IKE, DON'T HESITATE; VETO THE FARM BILL

President Eisenhower should veto the farm bill.

All of the talk about getting no farm legislation this session unless he allows the monstrosity passed yesterday to become law is far-down, low-grade politics designed to put Mr. Eisenhower on the spot in this election year.

But the truth of the matter is that if he blocks this legislation by a veto and it is not overridden he will have left just what he wants because the present farm law which his administration fought for so bitterly and won two years ago would continue in force.

Congressional action on this new, definitely costly and destructive farm bill has been the worst kind of presidential year politics. There has been far more evidence of designing the measure for farm votes than for farmers.

The vicious determination to continue rigid price supports if not vetoed by the President will mean the piling up of more farm surpluses instead of bringing relief. It is a complete contradiction of the theory behind the soil bank idea which was approved in the same measure. The purpose of the soil bank obviously is to help restrict production, yet 90 percent of parity guarantees will defeat that objective.

President Eisenhower should take his cue on whether to veto the bill from the results of Tuesday's primary voting in Illinois. The President's evident strength downstate where he outran Stevenson 2 to 1 shows no real revolt among farmers against the administration.

The mock concern of the Democrats and some of the farm State Republican Senators and House members for the plight of the farmers shows they are not being realistic because the farmers themselves have been disproving the assertions that they are against the administration.

The President should not weaken at this last minute in his previous resolve to fight rigid prices. He knows the consequences of rigid supports. His failure to veto would indicate he had yielded to political pressure and would mean he was deserting the public interest hoping to catch a few more votes.

A courageous stand will bring him far more respect.

Mr. HOLLAND. Mr. President, I quote two small paragraphs of the editorial, and I assure the Members of the Senate that they are representative of the sense and meaning of the editorial. The first is as follows:

Congressional action on this new, definitely costly and destructive farm bill has been the worst kind of presidential year politics. There has been far more evidence of designing the measure for farm votes than for farmers.

Then the closing paragraphs:

The President should not weaken at this last minute in his previous resolve to fight

rigid prices. He knows the consequences of rigid supports. His failure to veto would indicate he had yielded to political pressure and would mean he was deserting the public interest hoping to catch a few more votes.

A courageous stand will bring him far more respect.

The next editorial is from the Tampa Morning Tribune, a morning newspaper published in that area of my State which is the greatest citrus producing section, one of the greatest small-vegetable producing sections, and the greatest cattle producing section. It is an editorial entitled "Integrity Versus Political Pork." I ask unanimous consent that this editorial, published on April 13, 1956, be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INTEGRITY VERSUS POLITICAL PORK

It is hard to figure how Congress could pass a more thoroughly bad piece of legislation, or one loaded with more pure political pork, than the election-year farm bill it has just sent to the White House.

If a measure ever merited a Presidential veto, this one is it.

Those Democrats and the farm State Republicans who approved it may try to say with a straight face that it will provide long-run help for the farmer. Actually it is clearly fashioned to use him as a political football.

Supporters of the bill realized the President wants the so-called soil-bank plan which is authorized in the legislation. That plan is designed to reduce the present farm surplus. But the congressional majority coupled it with a provision restoring flat 90 percent price supports, the discredited system which brought on more production than the free market could absorb and so accounted for the present surplus. The bill thus is a self-contradiction, an antisurplus measure that would inevitably encourage the production of more price-depressing surplus commodities.

Mr. Eisenhower has frequently spoken out sharply against the rigid parity system. But Democratic strategists consider they have him backed into a corner this time.

If he lets the legislation slide through, they figure to go to the hustings as the party that demonstrated its concern for the welfare of the farmer. If he vetoes the bill on the ground it violates the principles for which he stands, they plan to make the farm bill the main issue of the campaign.

The political dilemma confronting the President is obvious. We may be sure a good deal of pressure will be applied by members of his own party in the farm belt as he mulls over the question the next few days at Augusta. They will argue he must sign the bill if threatened GOP congressional candidates in the farm areas are to be helped and strategic States in the Midwest are to be carried in order to win the Presidency in November.

But the price these fellow Republicans and many Democrats are asking him to pay is far too high. For his signature on the farm bill would mean a bowing to political expediency. It would blench the integrity of his administration. It would throw into sharp reverse the long-range plan he and Secretary of Agriculture Benson have prepared for reducing farm surplus.

Certainly, Mr. Eisenhower has made it clear that he is a leader capable of rising above political pressure. His recent veto of the natural-gas bill was only one of many such demonstrations.

May he rise above the pressure this time and accompany a veto of the farm bill with

a frank and full statement that the upholding of integrity and sound economic principles is far more important than the fate of farm-belt politicians. That course of action may lose the votes of some already disgruntled farmers, but it will kill a bad bill and win the respect, confidence, and support of the country as a whole.

Mr. HOLLAND. Mr. President, I quote a part of the editorial, as follows: May he—

Meaning the President—

May he rise above the pressure this time and accompany a veto of the farm bill with a frank and full statement that the upholding of integrity and sound economic principles is far more important than the fate of farm-belt politicians. That course of action may lose the votes of some already disgruntled farmers, but it will kill a bad bill and win the respect, confidence, and support of the country as a whole.

Mr. President, the next editorial is peculiarly interesting, because it was published in the Miami Daily News, a newspaper identified with former Gov. James M. Cox, of Ohio, at one time the Democratic candidate for President. I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOP REAL LOSER OVER FARM BILL

The repudiation of the Eisenhower farm policies, not only by the opposition in Congress, but by many Republicans as well, would normally be taken as a political setback for the President.

In the case of President Eisenhower, it seems to be different, however. People generally appear to place him above party politics and the blame for an unworkable farm measure, or none at all if the President vetoes it, will mostly rest with Congress.

This is a political phenomenon which enrages the Democratic politicians, yet it is one of the realities in this election. We don't presume to know what the President will do about the farm bill, but whether he signs or vetoes it the congressional candidates will be the ones mostly affected.

If the President vetoes the new farm legislation on the ground it restores rigid high price supports for basic crops, Republican candidates in the farm belt will feel the effects of his action. If he signs it on the theory it is better than a return to the present price support law under which farm income has declined a billion dollars in a year, then Democratic candidates will claim credit for reversing administration policy.

In any case, the Democrats who framed the hodge-podge measure passed by both Houses of Congress yesterday, and the Republicans who voted for it, have little reason for pride. As passed, the 1956 farm bill is an undisguised political measure hopefully designed to garner votes, with little regard for the welfare of the Nation as a whole. In the parlance of the day it's strictly for the birds.

Mr. HOLLAND. I read from the editorial two excerpts which I think may cause some searching of souls here, Mr. President, since they come from the source I have mentioned.

As passed, the 1956 farm bill is an undisguised political measure hopefully designed to garner votes, with little regard for the welfare of the Nation as a whole. In the parlance of the day, it's strictly for the birds.

Earlier in the editorial there are these words:

The blame for an unworkable farm measure, or none at all if the President vetoes it, will mostly rest with Congress.

Mr. President, I hope Senators will re-read that part of the editorial very carefully, because I so firmly believe it to be true, particularly when we have a veto message which invites Congress speedily to consider and report a bill setting up the soil bank and perhaps other commendable features, so that it may be promptly passed. I think the general public, if Congress fails to follow that course, will come indisputably to the conclusion that most of the Members of the Congress were interested in votes rather than in farm support.

I again quote the portion of the editorial which I just read:

The blame for an unworkable farm measure, or none at all if the President vetoes it, will mostly rest with Congress.

Mr. President, the next editorial is from the Miami Herald of April 13, 1956, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FARM BILL CONFOUNDS FARM CONFUSION

The political analysts are hard at it interpreting the farm bill which Congress passed over expressed Executive displeasure.

The President most likely will veto the measure, although Democrats and Farm Belt Republicans say that there is no way open to him—electionwise—but to sign it.

If the President vetoes the measure the session will probably end without any farm-relief legislation.

That would not be all to the bad. Congress enacts a lot of bills that would better serve the country if tossed into the wastebasket before they got to the discussion stage.

The farm bill is an amorphous creation. It seethes with confusion.

Actually, it does nothing to stabilize the agricultural industry.

Rather, it has incorporated some provisions previously tried, which in themselves are largely responsible for the problems which this new bill purports to solve.

The President said before Congress passed the measure—it was not a good bill. It isn't.

Mr. HOLLAND. Mr. President, I read a few paragraphs from the editorial:

The farm bill is an amorphous creation. It seethes with confusion.

Mr. President, I hope Senators will look up the meaning of the word "amorphous." I looked it up and was delighted to find what it means.

I read further from the editorial:

Actually, it does nothing to stabilize the agricultural industry.

Rather it has incorporated some provisions, previously tried, which in themselves are largely responsible for the problems which this new bill purports to solve.

The President said before Congress passed the measure it was not a good bill. It isn't.

Mr. President, the last of the editorials which I ask to have incorporated in the RECORD is from the Orlando Sentinel of April 11, 1956. I ask unanimous consent that the short editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PARAGRAPHS

Secretary Benson will have no truck with the thing called a farm bill which the politically minded House and Senate have passed. And we're glad to see that Senator HOLLAND would not sign the conference committee report either. It would only add to the farmers' problems.

Mr. HOLLAND. Mr. President, there cannot be the slightest doubt that Congress has it within its power now to have submitted to it quickly from committee and to pass a bill which will create a soil bank. Is there need for a soil bank? I think there is very great need for it. I heard a statement made on this floor within the hour to the effect that all the planting had been accomplished in connection with all the basic commodities. I think that statement was thoughtlessly made, because everyone knows it is not completely correct as to the wheat industry. Anyone can plant up to 15 acres of wheat anywhere that wheat can be produced in this Nation and not be under the provisions of the present allotment program. So there will be an unbridled invitation for the planting of wheat, and there would have been if the bill had been passed as it was. It seems to me there is a need for soil bank diversion of wheat, and there would be if the soil bank provision were separately considered and passed by the Congress.

Likewise, in the case of corn there is plenty of its acreage and mostly in the commercial areas that has not yet been planted. There is plenty of time to make good use of the soil bank in the case of corn if Congress has the will to do so.

Congress again is challenged. Shall we not live up to our opportunity to create a soil bank?

Mr. President, I have been reading in newspapers within the past few days about the terrific destruction accomplished in the Wheat Belt, in six States, Colorado, Kansas, Oklahoma, Texas, New Mexico, and Nebraska, by the recent dust storms. The amount of wheat which has been blown out of the ground is stupendous. I do not suppose anyone knows the exact amount. It certainly must total many hundreds of thousands of acres, and, probably, from what I have read, 2 or 3 million acres. There is a need, right now, for the soil bank.

There are other situations, none, I am glad to say, so acute as that which I have just mentioned, which likewise call for the use of the soil bank to reduce production and to give useful employment for many acres in such a way as will enable farmers to get their land out of production and claim the beneficial effects of the soil bank.

Mr. President, we are about to conclude, so far as Congress is concerned, unless someone should be so unwise as to call up the Presidential veto and to attempt to override it in either House of Congress. I think there is no advocate of this monstrous bill in its present form who would be so unwise as to do that. If so, I think the result would be eye-

opening, because I believe it would show a majority of both Houses clearly holding up the hands of those who now realize, and who have realized for a long while, that the provisions of the bill simply are not sound, and would not stabilize the agricultural industry of the Nation, but instead would create greater surpluses and greater difficulties, and would add to the dependency of our people upon the Government.

Mr. President, I cannot too strongly urge that in the whole field of agricultural legislation one of the points we must always keep in mind is that the farm areas where there have been high rigid price supports, first in the war years, then in the year that followed, are the areas in which too many farmers have shown continuing inability to plan for themselves, continuing unwillingness to work out their own problems, and continuing failure to cut their production to fit consumption needs.

Throughout the Nation, many other agricultural industries which are being called upon to plan for themselves and to produce wisely, are prosperous and are doing well. Not only do they not want help, but they have seen the baneful effects of the too-great assistance which has been given in other place, and they do not want to subject themselves to the effects of the overuse of high support prices, as they see those effects developing, and unfortunately as such effects have already been greatly overdeveloped in some parts of our Nation.

Mr. President, I yield the floor.

CONFUSION SURROUNDING THE ADMINISTRATION'S SO-CALLED PARTNERSHIP POWER PROGRAM

Mr. NEUBERGER. Mr. President, so much confusion and misinformation circulates around the present administration's so-called partnership power program that citizens directly affected are hard put to understand the full meaning of its implications. In my home State of Oregon, the efforts on behalf of partnership have been directed toward needed multiple-purpose projects which are already authorized by Congress for construction as units in the Federal system.

I have attempted to clarify this aspect of the drive for partnership in a recent letter replying to an editorial published in the Eugene Register-Guard of April 8, 1956. I ask unanimous consent to have printed in the RECORD my reply to the editorial which appeared April 8, 1956, and the text of the editorial at issue.

There being no objection, the editorial and letter were ordered to be printed in the RECORD, as follows:

[From the Eugene (Oreg.) Register-Guard of April 8, 1956]

SENATORS BLOCK EUGENE WATER AND ELECTRIC BOARD FROM COUGAR

There have been many people who have asked in recent weeks about the chances of the Eugene Water and Electric Board gaining approval for partnership participation in Cougar Dam on the South Fork of the McKenzie.

It is a good question. Ray Boals, superintendent for Eugene Water and Electric Board, says that work currently being done

on the project by the Army engineers will not prevent the local utility from participating in the project later on. But the chances of partnership authorization getting through this session of Congress are indeed slim. A bill for partnership by Representative HARRIS ELLSWORTH was approved in subcommittee but has been held from the full committee by the subcommittee chairman, JAMES DAVIS, Democrat of Georgia. Even if the bill reached the floor of the House and passed it would never pass the Senate because it would be blocked by Oregon's Senators, as it was once before by Senator MORSE after passing the House.

They believe it will wreck Federal power development in the Northwest and cut off the region from cheap hydroelectric power which they say is vital to attract industry.

In the case of aluminum and a few other industries this might be the case. But to contend that it would stop industrial development generally is pure poppycock. (To belabor this point, it hasn't stopped industrial development in California where private steam generation handles most of the power load.)

Our Senators want all-Federal development within the Bonneville system. But with the needs that are foreseen in the next 10 to 15 years, it is not realistic to believe that Congress will appropriate all the funds necessary to do the job.

Private capital, and capital from municipal utilities such as Eugene Water and Electric Board, is needed to take up the slack. Vital flood control dams are traditionally a Federal cost and it takes some doing to get appropriations for these.

So again, we must ask, what's wrong with the idea of partnership development of some of these projects? Is it an unfair use of a natural resource? We don't see how. Falling water is used to generate electricity to meet the needs of the population. If Eugene Water and Electric Board developed the power facilities at Cougar it would provide power for this area that would not have to be taken from the Bonneville system. Either way we get the power for the Northwest region. But with partnership development we get it now or in the near future when we will need it. In fact, it is our opinion that if we wait for all-Federal development we shall never meet our requirements, whether there is a Democratic or Republican administration. In the past 20 years the Federal Government has put about \$2 billion into the Bonneville system. Can we logically expect about \$8 billion in the next 10 to 15 years? That is the estimated need to meet our requirements.

Opponents of partnership argue that private and municipal firms desiring to develop electric power would be taking all the profit from multi-purpose projects. This is a flimsy argument. When the Government builds the power features of a dam, the sale of the power over 50 years pays back the cost of the power part of the structure. It does not pay back the cost of the flood control features.

Under partnership, at Cougar for instance, Eugene Water and Electric Board would pay the costs of the project allocated to power. It would be constructed under specifications acceptable to the Government and the Government would own all of the project except the powerhouse and the generators. Eugene Water and Electric Board would have the right to use the power for 50 years under a Federal Power Commission license. The Government would pay for the costs allocated to flood control and construct the project with Eugene Water and Electric Board and Federal funds.

At Cougar and at Green Peter-White Bridge on the Santiam the Government would be saved the expenditure of an estimated \$40 million on power allocations, a sum that could well be applied to Libby or

a number of other Federal projects so urgently needed.

If our Senators desire to aid development of the Northwest, they should get off their all-Federal power high-horse and take the lead on partnership development, particularly on some of the smaller multi-purpose projects. Their argument for all-Federal development is a political pipe dream and they know it.

UNITED STATES SENATE,
COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS,
April 11, 1956.

To the EDITOR OF THE EUGENE REGISTER-GUARD:

Your recent editorial asked why Senator MORSE and I are blocking partnership construction of Cougar Dam. For your information, Cougar Dam is presently authorized and construction is underway as a Federal project. The law must be changed for it to become a partnership proposition. Why, I ask, are McKay, Ellsworth, Coon, and Norblad blocking Federal construction of Cougar which has already started? Why are the Republicans generally opposed to continuing the Federal program that has been so successful?

When Cougar Dam's powerplant is integrated into the Bonneville Power System, the Eugene Water and Electric Board will share—along with other public and private utilities of the region—in the new power supply. Contrast this with what happens under a partnership in which the Eugene Water and Electric Board would own all the power. How would the power consumers of the Springfield Utility Board, Lane County Electric Co-op, Blachly-Lane County Co-op, and Pacific Power & Light Co. fare under a partnership which gave all the power to Eugene?

The Eugene customers, like those elsewhere, should receive a fair share of the Cougar power, and that's what they will get when Cougar is completed as a Federal project. I do not agree with your belief that customers of the Eugene Water and Electric Board have a greater right to Cougar power than those who reside outside the city limits. I think the power should be shared equitably, and this can best be accomplished with Cougar Dam as a Federal project.

Your editorial headline: "Senators Block Eugene Water and Electric Board from Cougar," can only have been motivated by political partisanship. Let's look at the record. The President's budget for 1956 requested 100,000 for Cougar Dam planning. The House, of which Mr. ELLSWORTH is a Member, approved the 100,000. Following this less-than-desirable action, Senator MORSE and I urgently requested the Senate Appropriations Committee to increase the funds so construction on Cougar could be started, and the day advanced when Eugene and other Bonneville customers could share in the Cougar power supply. The Senate approved an increase to \$500,000 and work on Cougar has begun. Perhaps it is only during election years that words can be twisted so that work toward starting a project can mean that it is being blocked.

With great political fanfare, President Eisenhower recently signed the bill authorizing \$785 million worth of Federal power projects in the upper Colorado Basin. The same Oregon Republicans, who plead so fervently for partnership in our region, were quite enthusiastic about Federal projects in the upper Colorado. Why are they blocking Federal projects in Oregon? Is the answer to be found in the fact that no private utilities would have the poor Colorado power sites, whereas the fine hydroelectric sites in Oregon's Columbia Basin are desired by so-called local interests?

The Federal-power program has brought the Northwest the cheapest electricity in the United States, as well as irrigation, naviga-

tion, and flood-control benefits. It is remarkable that every partnership proposal represents a retreat from these comprehensive values. Why do our Republican Congressmen lament that they cannot secure more funds for Federal development in the Northwest, when they themselves have helped push through \$785 million worth of development for the upper Colorado?

It is true that Senator MORSE and I voted for the upper Colorado program, but we also are fighting hard for Federal projects in our own region. We would never be so hypocritical as to favor \$785 million worth of upper Colorado Federal construction, while lamenting lugubriously that Congress would refuse further Federal funds in our own area. That, however, is the record of the Oregon Republicans—a record which some Oregon daily newspapers, ironically, find quite commendable.

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

CONSTRUCTION BY IDAHO POWER CO. OF DAM IN HELLS CANYON STRETCH OF SNAKE RIVER

Mr. NEUBERGER. Mr. President, only a few months ago the supporters of the Idaho Power Co., seeking to block construction of a high Federal dam in Hells Canyon, claimed that the water rights of irrigators which were established by State law would be impaired if a Federal project spanned the canyons of the Snake. These spokesmen for the company represented the Federal Government as some kind of a predator, crouched to override the water laws of the upstream States.

How quickly the leopard can change its spots.

The Idaho Power Co. has proceeded with the construction of a dam in the Hells Canyon stretch of the Snake River in defiance of the laws of the State of Oregon. It now contends that its license received from the Federal Power Commission places it above the jurisdiction of the State, that permission of the State of Oregon is not necessary when the company appropriates a water resource of the State after receiving a Federal license.

What has happened to those stanch defenders of States rights who, before the Federal licenses were granted to the Idaho Power Co. for the dams in Hells Canyon, pictured the high Federal dam as a form of piracy threatening the farmers' water rights? Their silence is proof of the falseness of their claims.

The legislation to authorize the construction of a Federal dam at Hells Canyon specifically subordinated the operation of its power facilities to the water rights of upstream irrigators. The laws of the States were to govern in this respect.

The contrast between the respect for State law which would have been provided under the Federal construction of a dam in Hells Canyon and the defiance of State law which has resulted from licensing of Idaho Power Co. projects is pointedly discussed in an editorial from an outstanding Oregon newspaper.

I ask unanimous consent to have printed in the RECORD the editorial entitled "Is This Case Different?" published

in the East Oregonian, of Pendleton, Oreg., of April 6, 1956.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the East Oregonian of April 6, 1956]

IS THIS CASE DIFFERENT?

When Douglas McKay was governor of Oregon he said to a luncheon meeting in Walla Walla, "You know, I find that I have to remind Len Jordan that the State of Oregon has quite an interest, too, in the Snake River." It was at a meeting of the Columbia Basin Interagency Committee at which Idaho's Governor Jordan was present. Mr. McKay was speaking, of course, of Mr. Jordan's oft repeated statement that the State of Idaho must protect its rights to Snake River water by opposing Hells Canyon Dam. Mr. Jordan did not concede that Oregon might have some interest in Snake River waters that flowed between the borders of Idaho and Oregon.

In recent days the attorney general of the State of Oregon has decided that the Idaho Power Co. should have asked permission of the State of Oregon to construct Brownlee Dam on the Snake River. He has started proceedings to force the company to seek that permission. Idaho Power Co. has said that the only permission it considers necessary is that granted by the Federal Power Commission. The company so thoroughly believes it that it undertook construction of a bridge over the Snake without asking permission of the Corps of Engineers.

When Idaho's Governor Jordan was doing everything possible to prevent the construction of Hells Canyon Dam he and his followers warned that the high dam would encroach upon State rights. Now that Idaho Power Co. flaunts the rights of the State of Oregon, those same people in the State of Idaho are strangely silent.

In the State of Oregon some of the stoutest defenders of State rights see in the attorney general's action a political motivation. The same citizens see in a different light the move of Portland General Electric Co. to build a dam on the Deschutes River that has been opposed by the State hydroelectric commission.

Apparently, it is all a matter of whose ox is being gored.

Our hope is that we never shall see the day that Oregon's attorney general will not guard the rights of the State in the use of any and all waters in which the State has an interest.

The Lewiston (Idaho) Morning Tribune has some interesting comments on the State of Oregon versus Idaho Power Co. case:

"The supporters of the 3 dams the Idaho Power Co. hopes to build as a substitute for a high Hells Canyon Dam have devoted several million words in recent years to the threat of Federal encroachment upon State rights. The theme had infinite variations. Every effort to reassure the public, particularly in southern Idaho, that a Federal high dam would operate in compliance with State law was drowned in the flood of 'man your floodgates' oratory. The Federal Government was pictured as the fearsome ogre which would crush all State rights in its sweep toward domination of the region. The Idaho Power Co., by contrast, was pictured as a local interest under full supervision and control by State agencies and dedicated unswervingly to preservation of State rights.

"The question arises, of course, as to why the Idaho Power Co. currently is paying such devoted attention to the wierdly reasoned decision of a Federal agency, the FPC, and so little attention to the protests of the Oregon attorney general. The answer, of course is that the FPC opinion is favorable to Idaho Power's objectives, and the Oregon attorney

general's protests are unfavorable to those objectives.

"The rest is campaign oratory, as most of it has been throughout the Hells Canyon battle. The crusade for State's rights' does not happen to have much bearing at the moment upon Idaho Power's plans. Therefore, it can be ignored for the time being while construction of Brownlee goes ahead at full speed.

"There is nothing particularly alarming about this situation. Idaho Power's approach seems to be realistic and logical. Its objectives have been clear enough to anyone who cared to see them. It is proceeding toward those objectives according to plan.

"The disturbing thing has always been the uncritical acceptance by thousands of people of the image of Idaho Power as the stalwart champion of State's rights and protector of the people from their own Federal Government.

"The slight disagreement between the Oregon attorney general and Idaho Power would be mainly useful if it persuaded some of these people to make a belated reexamination of some of the campaign oratory."

DUPLICITY OF ADMINISTRATION'S ACTIVITIES IN FIELD OF WATER RESOURCE DEVELOPMENT

Mr. NEUBERGER. Mr. President, the duplicity of the present administration's activities in the field of water-resource development is reflected in many recent developments. The claims of the administration spokesman that there is not sufficient money in the Treasury for Hells Canyon Dam is contradicted by approval of the \$750 million Upper Colorado storage project. The administration contends that the magnificent Columbia River basin dam sites can be developed only by private power company partners, but at the same time gives its full backing to wholly Federal construction on the Colorado. What is the reason for this Jekyll-and-Hyde philosophy in a field of vital concern to our national welfare? Are powerful pressures at work which require one pattern for development of one river system, and a completely different approach to another?

The method by which word and action often differ in the present administration's power policy is discussed in a recent column by the distinguished journalist, Thomas L. Stokes. I ask unanimous consent to have printed in the RECORD the article written by Mr. Stokes, which was published in the Washington Evening Star of April 12, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORD AND ACTION SOMETIMES DIFFER—EISENHOWER O. K. OF COLORADO RIVER BILL VIEWED AS RUNNING COUNTER TO POLICY

(By Thomas L. Stokes)

It's easy to understand how our people can be fooled about what goes on here. Often there's a difference in what is said about policy and what is actually done.

An example is what President Eisenhower said at Augusta, Ga., when he signed into law the bill recently passed by Congress for the mammoth upper Colorado River storage project to be developed by the Federal Government.

"This," he said, "represents something I believe in." It follows his idea, he explained, of "treating river valleys as a whole thing—it goes from top to bottom—it recognizes that one thing is certainly true—water is

getting to be one of our most valuable resources."

Such an aim first was expressed half a century ago by President Theodore Roosevelt. He told Congress in his first message of the need for great storage works to equalize the flow of streams which, he said, were too big to be undertaken by private interests, as is the case with the Colorado River project. In a later message to Congress, Theodore Roosevelt advocated integrated public development of our river systems for navigation, flood control, reclamation, and production of electric power.

It was not until many years later that his vision began to come true in great public projects—Boulder Canyon Dam in Nevada during the Hoover administration, later renamed Hoover Dam, and, in the Roosevelt and Truman administrations, a whole bevy of giant projects—TVA in the South, Bonneville in Oregon, Grand Coulee in Washington, Shasta in California, Hungry Horse in Montana, and so on.

But, if President Eisenhower believes in treating river valleys as a whole thing, he either has not told the responsible officials in his administration or they have not followed his instructions. For, until the upper Colorado, in which special factors are involved, the administration's policy had been contrary to treating river valleys as a whole thing. That's why conservationists have so bitterly attacked the administration policy.

In letter or spirit the principle now espoused by the President has been violated in numerous instances. Perhaps the most graphic illustration is in the case of another great river system like the Colorado—the Columbia, which spans our Pacific Northwest. Both Bonneville and Grand Coulee Dams are on it. When built in the Franklin D. Roosevelt administration they were envisaged as part of a series to develop the Columbia system from top to bottom. A grand plan for unified and integrated development of the Columbia Basin was completed by the Army Engineer Corps in 1950 after Bonneville and Grand Coulee were built.

But the Eisenhower administration has scrapped this in the so-called "partnership" of Federal Government with private utilities proclaimed by President Eisenhower in his 1952 campaign speech at Seattle and faithfully executed by Secretary of the Interior Douglas McKay.

This violation of "treating river valleys as a whole thing began at Hells Canyon on the Snake River, a Columbia tributary, along the Oregon-Idaho border. The Army engineers had recommended a high dam there to be built by the Federal Government to utilize the full potential of the river and fit Hells Canyon most effectively into the Columbia River plan. But Secretary McKay stopped this. He withdrew an application for a license for Federal development submitted by the Interior Department in the Truman administration to the Federal Power Commission to carry out the Army engineer plan. That opened the way for a private power company, Idaho Power, to put in its bid to build, instead, three small dams, which subsequently was granted by the FPC. This would mean piecemeal development that would throw the whole Army engineer plan askew.

Though this was represented as "partnership" with a local power company, that came to be a joke around here. For Idaho Power stock is owned mostly in the East, and stockholders were, in fact, holding their annual meeting at Augusta, Maine, the day that Secretary McKay opened the way for them to cut in on Hells Canyon by withdrawing the application for a license to carry out the Army engineer plan. In turn, this discarding of the Army engineer plan at Hells Canyon led to other private utility companies coming forward with plans for small "partnership" dams at other points in the Co-

lumbia system. That, if carried through, would prevent the building of larger dams called for by the Army engineers. It can only be stopped through a suit now pending in the courts brought by the Hells Canyon Association to invalidate the license of the Idaho Power Co. or by Congress acting on bills which have been bottled up.

Thus far the utilities have been successful in fighting the public development of the Columbia as projected by the Army engineers and are making a mockery out of the Eisenhower theory of "treating river valleys as a whole thing." In the case of the upper Colorado, the utilities were not interested, as this is not to be utilized for power on the same scope and does not offer the rich profits of the Columbia and so they were content to let the Government develop it.

THE VETO OF THE FARM BILL

Mr. EASTLAND. Mr. President, for the reasons so well outlined in the President's message, a veto was the only course open to him on the farm bill. Enactment of the bill would have resulted in further piling up of surpluses, restricting markets, and bringing about more restrictive controls.

In 1957 the cotton industry will be faced with further acreage reductions to the overall tune of 8.9 percent, as the reductions would affect each State, according to a table which I ask unanimous consent to have printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

States	1956 allotment	1957 allotment	Acreage reduction for 1957	Percentage reduction from 1956 to 1957
Alabama.....	1,025,141	905,503	119,638	11.7
Arizona.....	343,640	328,995	14,645	4.3
Arkansas.....	1,424,511	1,271,412	153,099	10.7
California.....	782,405	737,294	44,111	5.8
Florida.....	36,974	34,111	2,863	7.7
Georgia.....	903,221	805,369	97,852	10.8
Illinois.....	3,110	3,110	0	0
Kansas.....	29	29	0	0
Kentucky.....	7,799	6,841	958	12.3
Louisiana.....	610,891	543,435	67,456	11.0
Maryland.....	25	25	0	0
Mississippi.....	1,646,562	1,458,671	187,891	11.4
Missouri.....	378,055	341,192	36,863	9.8
Nevada.....	2,324	2,324	0	0
New Mexico.....	179,378	167,373	12,005	6.7
North Carolina.....	483,932	428,152	55,780	11.5
Oklahoma.....	845,616	755,397	90,219	10.7
South Carolina.....	726,193	649,484	76,709	10.6
Tennessee.....	563,491	510,836	52,655	9.3
Texas.....	7,410,893	6,877,025	533,868	7.2
Virginia.....	17,114	14,956	2,158	12.6
Total.....	17,391,304	15,841,584	1,549,720	8.9

Mr. EASTLAND. Mr. President, as for cotton, the most depressing problem facing cotton farmers and the cotton industry was the need for regaining and maintaining our traditional and historic export markets.

This could be done only by meeting the price competition of foreign-produced cotton and foreign synthetics in the foreign markets. Cotton producer organizations from one end of the Cotton Belt to the other clearly recognized that fact last fall, and agreed that if the Secretary of Agriculture would exercise the authority vested in him by Congress to make United States cotton competitive,

pricewise, in the export market, the cotton producers would make their contribution toward the solution of the overall problem by accepting a moderately lower support price, thereby improving cotton's competitive position with synthetics in the domestic market.

The cotton growers' organizations agreed to accept price reductions of from 3 to 3½ cents a pound in order to make cotton competitive with rayon. Under the 82½ percent of parity, which was announced today in the President's veto message, cotton prices will be reduced only about 2½ cents a pound. That is a rough estimate, which is very close to being correct.

So far as cotton is concerned, the main thing wrong with H. R. 12 was that it would have provided a return to a rigid system of price supports, thereby holding a price umbrella over domestic synthetic fiber production, which would have made impossible an improvement in the position of cotton in competition with rayon in the domestic market, and would have seriously impaired our chances for obtaining the kind of export program for cotton which would have been really adequate in effectively meeting foreign price competition from foreign-produced cotton and synthetics.

It was for this reason, which dealt with the very heart of cotton's most serious problem, that I felt compelled to vote against the conference report. That is not to say that there were not a number of provisions in H. R. 12 which were constructive and urgently needed, so far as cotton is concerned.

Mr. President, what is necessary is to establish a minimum acreage allotment for cotton for the years 1957 and 1958. Otherwise, there will be an additional reduction in the acreage allotment for 1957 of 8.9 percent, as I have said, and a further acreage reduction in 1958 of, roughly, 6 percent. Mississippi would take an acreage reduction of, roughly, 8 percent. Acreage reductions are destructive of the industry, tend to pull down farm income, and, if continued, there will be no way whereby a cotton farm can be operated at a profit.

Furthermore, in the South there are millions of small farmers who plant 4 acres of cotton or less. They must be provided for by appropriate legislation.

Third, H. R. 12 contained a provision which would clear up the question as to whether the President had the authority to deal with the problem of textile imports by negotiation with the individual countries from which such imports emanate.

Fourth, the bill contained a provision to rectify a very serious injustice which is being worked upon the producers of extra long staple cotton.

Fifth, the bill contained provisions for the soil bank, which would have made possible further voluntary reductions in production, without the loss of net income to farmers.

Mr. President, I therefore feel that the most constructive course we could now pursue would be to delete from H. R. 12 the specific provisions to which the President has objected so seriously, and re-

turn to him the remainder of the bill without further delay.

It would be a simple matter for the Congress to follow this course, and place upon the President's desk a farm bill which he could sign before the end of this week.

I urge my colleagues to take such action as is necessary to bring this about.

CENTRAL INTELLIGENCE AGENCY— DOCUMENTS FURNISHED BY SEN- ATOR McCARTHY

Mr. McCARTHY. Mr. President, I wish to give the Senate some information.

A few days ago when the Senate was considering the CIA joint resolution I stated that if the resolution were passed I would turn over to the proposed new joint committee some 50 or more documents having to do with everything from incompetence to communism in the CIA. The resolution failed, and the joint committee was not established.

The question arose as to whether the information should go to the Armed Services Committee, headed by the Senator from Georgia [Mr. RUSSELL], to the Permanent Investigating Subcommittee of the Committee on Government Operations, headed by the Senator from Arkansas [Mr. McCLELLAN], or to the Internal Security Subcommittee of the Committee on the Judiciary. I felt that the Internal Security Subcommittee had the most complete jurisdiction of the subject, so I have turned over the documents, as of today, to the subcommittee of the Senator from Mississippi [Mr. EASTLAND], not because I preferred that subcommittee to the other committee but because I thought that it had unquestioned jurisdiction on the subject.

I know they will have difficulty getting the witnesses from the CIA. They refused to appear before our committee. However, I hope that we will test on the Senate floor the right of the Internal Security Subcommittee to get the necessary information. For that reason I have turned over all the pertinent material to the Eastland committee.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRI- CULTURE ORGANIZATION AND IN- TERNATIONAL LABOR ORGAN- IZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. What is the pending business?

The PRESIDING OFFICER. The pending business is the unfinished business, which is Senate Joint Resolution 97. The pending question is on agreeing to the amendment heretofore proposed by the Senator from Louisiana [Mr. ELLENDER].

Mr. MANSFIELD. I thank the Chair. Mr. President, this joint resolution authorizes an increase in the ceiling on the authorized United States contribution to the Food and Agriculture Organization from \$2 million a year to \$3 million a year. It also authorizes an increase in the ceiling on the authorized contribution to the International Labor Organization from \$1,750,000 a year to \$3 million a year.

The joint resolution was reported unanimously by the Committee on Foreign Relations on July 27 of last year. It was considered briefly in the Senate July 30 but no action was taken in the adjournment rush.

When Congress reconvened in January, the Committee on Foreign Relations again considered the matter in the light of developments in the intervening months. After discussion with Assistant Secretary of State Francis O. Wilcox and Assistant Secretary of Labor J. Ernest Wilkins, and after further consideration, the committee saw no reason to change the position which it had taken last July—namely, that the resolution is a meritorious one and should be passed.

Indeed, Mr. President, passage of the resolution is daily becoming more urgent, particularly so far as the ILO is concerned. Let me review the situation briefly for the Senate.

At a meeting in March of this year, the ILO governing body adopted a budget for the calendar year 1957 amounting to a net of \$7.6 million. The vote, by the way, was 28 to 10, with the United States voting "No." This budget will be presented to the ILO Conference in June for final approval; but in view of the almost three to one vote in the governing body, there is little reason to anticipate contrary action by the Conference.

On the basis of 25 percent, which is the current rate of assessment of the United States in the ILO this budget will call for a United States contribution of \$1.9 million. The net contribution can be reduced to \$1.8 million by taking advantage of an expected credit accruing from earlier years; but, even so, our assessment will be \$50,000 above the existing statutory ceiling.

Thus, it is clear that the United States will be confronted with an assessment which it cannot pay unless Congress raises the ceiling. Although this budget is for 1957, and we would not actually be in default until that time, our influence at the June conference would obviously

be at a low ebb if we went there with the whole world knowing that we would be unable to meet our obligations. An organization does not pay much attention to the thoughts of a member who is avowedly about to refuse to pay his dues.

As a matter of fact, Mr. President, our delinquency might turn out to be even greater than the figure of \$50,000 which I mentioned. That figure was based on a calculation of our assessment at the rate of 25 percent. That rate has been in effect since 1951, and there has been growing pressure within the ILO to revise all assessments to bring them more into line with the United Nations scale, under which the United States pays 33.3 percent. I do not think that the ILO would undertake such a drastic revision in one step, but I do think we have to anticipate some increase in the percentage of our assessment.

The question has been raised as to whether we should continue to participate at all in the ILO; or, if we do continue to participate, whether we should increase our contributions. To state the question another way, we have three possible courses of action:

First. We can withdraw entirely from the ILO. For reasons which I shall elaborate on a little later, this would not be a wise course for us to take, but it would at least have the merits of being forthright and unequivocal.

Second. We can defeat this bill and continue in the ILO under our present legislation. This, I think, is probably the worst thing we could do. We would be half in, half out, delinquent in our assessments, utterly without influence, and in general offering an altogether sorry spectacle for a Nation which is supposed to be in a position of world leadership.

Third. We can pass this measure and continue to participate in the ILO on a vigorous, wholehearted, full-membership basis. This seems to me to be clearly the wisest course for us to take. If we are going to belong to an organization as important as the ILO, we ought to belong to it all the way—we ought to work in it and try to get our ideas adopted by it. We ought to take a seat up in front, and not one by the door, where we can walk out every time something does not go to suit us or where the other members can throw us out for nonpayment of dues.

The ILO is unique among international organizations in that its delegates represent private groups, as well as governments. Each member of the ILO has two government delegates, plus one delegate representing employers, and one representing workers. The organization was established in 1919 to promote the voluntary cooperation of nations in improving working and living conditions. The United States has been a member since 1934.

The principal impetus for United States withdrawal from the ILO at this time comes from Mr. William McGrath, who was the American employer delegate in 1954 and 1955. In his public statements, Mr. McGrath has voiced numerous complaints about the ILO; but so far as I can determine, all of them come under three main headings:

First, a great many foolish proposals are advanced in the ILO. While Mr. McGrath evidently differs with a good many persons, even in his own country, as to what is foolish and what is not, I think we can all agree that there are some foolish proposals advanced in the ILO. Well, Mr. President, there are some foolish proposals advanced in every organization—even in the Congress of the United States; but I never heard of an individual's refusing to serve in Congress because of that fact. The truth is that most of the foolish proposals in the ILO meet the same fate as those in Congress: They are buried, and never are adopted.

The few which may be adopted can be harmful to the United States only to the extent that we ourselves are foolish enough to put them into effect. This fact destroys the validity of Mr. McGrath's second major complaint, which is that the ILO is an international law-making body bent upon legislating socialism into existence throughout the world. This can only be described as plain nonsense. The ILO has no power whatsoever over any sovereign country on the face of the world. The ILO can only act through recommendations, which do not have to be followed, or through conventions, which do not have to be ratified, and which, of course, are not binding unless they are ratified.

Finally, Mr. McGrath complains that the employer and worker delegates from the Soviet Union and other Communist countries are, in fact, merely additional government delegates, and do not represent free employers and free workers. This is a valid point, and I disagree with Mr. McGrath only as to the conclusion to be drawn from it. He thinks we ought to get out of the ILO. I think we ought to stay in it, and fight harder than ever to show up this Communist fiction for what it is.

Incidentally, Mr. President, I may say that at the present time there is within the International Labor Organization a subcommittee looking into the matter of so-called employer representation on the part of the Communist states which happen to be members of the Organization.

I am not alone in believing that we should remain in the ILO. The executive council of the AFL-CIO thinks so. It recently said:

We regard the ILO as a vital forum through which to promote the cause of freedom and democracy in the world. We take this opportunity to officially reiterate our full and unqualified support of the ILO and of United States membership and active participation therein.

We urge the Congress of the United States to enact Senate Joint Resolution 97.

The Catholic Church thinks so. I quote from an editorial of March 16, 1956, issue of the *New World*, official Catholic paper of the archdiocese of Chicago and the diocese of Joliet:

The Holy See has been one of the ILO's strongest supporters from the very beginning of the Organization. In November 1954, the Holy Father enthusiastically welcomed the members of the ILO governing body in a special audience at the Vatican and, echoing the sentiments of his predecessor, vigorously endorsed the important work that they are doing for the cause of social justice. * * *

Moreover, as recently as January of this year, a French Jesuit, Father Joblin, was appointed to the staff of the ILO with the advice and consent of the Holy See. * * * The fact that Father Joblin's appointment was made long after the problem of Communist representation in the ILO became a public issue is an obvious indication that the Holy See is not in favor of scuttling the Organization merely because of the fact that Russia and some of her satellites are included in its membership.

Further, Mr. President, as recently as April 4, less than 2 weeks ago, the economic subcommittee of the Catholic Association for International Peace found that American withdrawal from the ILO "would play directly into the hands of the Communists."

Finally, Mr. President, the Chamber of Commerce and the National Association of Manufacturers—the two groups who nominate our employer delegate—have decided to continue their participation this year. Although they are not without some misgivings about the matter, they have rejected Mr. McGrath's proposal for immediate withdrawal from the ILO.

Mr. President, let me say just a word about the paragraph of the joint resolution relating to the Food and Agriculture Organization. I think there would be general agreement that this agency has done one of the best jobs of any of the UN specialized agencies. It certainly has one of the most important jobs—namely, that of keeping food production up with population increases in underdeveloped countries.

The FAO Conference last fall voted a budget of \$6.6 million for 1956 and of \$6.8 million for 1957. The vote, incidentally, was 24 to 23, with the United States voting "No." After taking account of small miscellaneous income, the amount of these budgets which will have to be met by assessments is \$6.5 million in 1956 and \$6.7 million in 1957. The United States assessment for each of these years is 31.5 percent. These assessments can be met within the existing ceiling by taking advantage of a credit which has accrued to the United States in the FAO Working Capital Fund.

It is apparent, however, that the United States is operating on a very thin margin, that our 1958 assessment will breach our ceiling, that the ceiling would therefore have to be raised next year in any event, and that in the meantime our whole position in the FAO will be strengthened by timely action to raise the ceiling now.

Mr. President, the amounts of money involved here are not large. The total increase provided for by this resolution to be spread over a period of years is less than half of one one-thousandth of the unexpended balances of appropriations for military assistance. The amounts involved here appear even more trifling when considered in relation to the damage our international position would suffer if we were to fail to play our full part in both the ILO and FAO.

I invite the attention of Senators to the fact that the Senate Foreign Relations Committee unanimously reported the joint resolution. I know I express the hope of the chairman and of other

These figures readily show the immensity of one of this country's most extensive health, education, and welfare problems, and I might add, probably the most neglected.

Statistics are not available to show exactly the number of retarded persons there are but on the basis of the most authoritative studies thus far, estimates show that one out of every thousand of our total population is so severely retarded as to require hourly supervision. Four in every thousand persons are capable of being trained to self-care and social adaptability. Twenty-five in every thousand can, with proper schooling, vocational and social guidance, perform useful and productive jobs in our national economy. I call attention to the fact that in each of these three categories, schooling that is specialized so as to provide the social, vocational and self-care training is most vital to the welfare of these handicapped children.

I should also like to mention that the increasing birthrate in our country, together with the longer life span of the severely retarded adds to the numbers of persons for whom provisions of all types of care and schooling is required. In our country in which we are dedicated to providing equal opportunity for all, a climate must be made available in which the individual regardless of mental or physical limitations, can realize the full development of his capabilities.

The problem of adequate schooling of the proper nature for the mentally retarded children of this country is something that is only currently and slowly gaining national attention and momentum. Public institutions provide for the care and training of some 153,000 mentally retarded and epileptics in 1953 according to the United States Public Health Service. There is no adequate statistic available to show the number of mentally retarded children in specialized private schooling facilities. However, it is estimated that the United States Public Health Service found that in 1950-51 approximately \$127 million was spent in operating 91 public institutions for the mentally retarded children while the National Association for Retarded Children estimates that perhaps \$150 million a year is spent for the retardation in both public and private institutions.

The immediate problem with which I am greatly concerned today is the amount of money expended by parents of mentally retarded children in their care and training in institutions and schools. The economic inroads on family incomes cannot be accurately assessed, but they, nevertheless, are real and disrupting to any family so involved. Such expenses, depending upon the institution or school, may range from several hundred dollars to several thousand dollars per year and such costs may be occasioned in both public institutions as well as private schools. From the time parents suspect something may be wrong with their child, that is, their child is not developing at a normal rate, to final acceptance of the condition, the parents have expended large sums of money and

depleted their financial resources in search of competent diagnosis, counsel, and treatment. The toll upon the finances and mental health of the parents is frequently so severe as to permanently disrupt family relations. Such obstacles to family companionship and unity may affect even and often do, the normal children in the family and the experience of being the parent of a mentally retarded child is sometimes so disturbing that even religious faith is taxed. It is quite important that we not only recognize the problems that confront such parents, but that we give as much encouragement as we can to them in meeting these problems. After all, it is the parents who through love and other fine emotions keep the number of retarded children on the public assistance rolls as low as it is.

It is true that in this country there is indeed a lack of adequate training and teaching facilities, both public and private. In the great State of Missouri, this lack of adequate facilities has been superbly illustrated by a series of articles written by Mr. Morton Mintz which appeared last July and August in the St. Louis Globe-Democrat. For the information of my colleagues in the Congress of the United States and for the interested public, I am inserting these articles for printing in the Appendix of the RECORD.

The gentleman from Rhode Island, Congressman FOGARTY, has been most helpful in the initiation of a new program for the mentally retarded children of this country. As you know, in the consideration of the bill—H. R. 9720—making appropriations for the Department of Health, Education, and Welfare, moneys are provided for medical research, a new education program, and items of maternal and child health for the mentally retarded.

The gentleman from Massachusetts, Congressman BOLAND, pointed out on March 5, that the immensity of the mental retardation problem is beginning to dawn upon the people of the country and with the dawning is the growing desires of our people to help solve or at least alleviate the courageous burden families are carrying. He further indicated the problem was too big and too severe for individuals or even groups to master and that the responsibility rests upon the Government to shoulder the bulk of the program.

It is my feeling and firm belief that parents who are able and willing to pay for schooling, care, and training of their children, should so do. Such care and training is directly in the nature of a medical expense in the broad sense and in this connection the existing provisions in the Internal Revenue Code of 1954 are not sufficiently broad that a taxpayer may deduct for income tax purposes his expenses for the school care of a mentally retarded dependent.

As pointed out earlier, many of the retarded children in such schools require hourly attention and are unable to provide themselves with even the simplest of their requirements. Others with adequate schooling and care and training can be made marginally independent.

In both extremes, medical counseling and treatment is of vital importance in alleviation and mitigation of the condition.

Section 213 of the Internal Revenue Code presently allows a deduction of certain medical care expenses of the taxpayer and these are defined to mean amounts paid for diagnosis, care, mitigation, treatment, and prevention of disease. Amounts expended for such care and training designed to alleviate mental or physical handicapped are also deductible. However, amounts paid for care in a specialized school for the handicapped are not specifically included as allowable deductions for income tax purposes. I feel such expenditures for institutional care and training of a mentally retarded child should be classified as permissible deductions for Federal income tax purposes and I submit that the bill which I have introduced today will encourage, lend support, and give some measure of relief to those parents who are able to participate by the extension of schooling to their mentally retarded offspring. This bill is but a small, though important, step in the path of advancement now being made in the field of mental retardation.

EIGHTH ANNIVERSARY OF THE FOUNDING OF ISRAEL

(Mr. KEAN asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEAN. Mr. Speaker, today marks the eighth anniversary of the founding of the gallant little nation of Israel.

We in the United States have looked with sympathy on its aspirations. We have admired its achievements.

But today war clouds hover over Israel and its valiant sons and daughters. Many of its neighbors are looking upon Israel with hostile eyes. Some say the spur for that hostility comes from outside of the Middle East.

But no matter where the truth lies, all of the nations of the world and their leaders must be made to realize unequivocally that Israel is here to stay.

There can be no compromise on that score and as Secretary of State John Foster Dulles so clearly stated just a few weeks ago:

The preservation of Israel is a basic tenet of American foreign policy.

I stand foursquare for that stated policy.

Peaceful cooperation is the best answer for the troubled Middle East and for all the world. Through it improved conditions of life can be achieved by both Arab and Jew.

I have confidence that that good sense of the peoples of the Middle East will in the long run bring about this cooperation for the good of all—and for the maintenance of peace in that troubled corner of the world.

It is fervently hoped that one result of Secretary General Dag Hammarskjöld's present visit to the Middle East will be the creation of the atmosphere

necessary for the development of this peaceful cooperation.

In the meantime, I salute Israel's birthday and wish it well with the firm conviction this gallant nation will live on forever as an important member in the world family of nations.

TRAINING OF MARINES

(Mrs. ROGERS of Massachusetts asked and was granted permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, although I do not desire at this time or at any time to prejudge any action involving our military services, I have been thinking a great deal of the tragedy which occurred in the training of our marines at Parris Island last week. It is not my purpose to condemn, nor is it my purpose to justify the tragedy which occurred, but it is my purpose to try, if I may, to show the importance of exercising great caution in regard to this whole situation.

Six young men died last week at the United States Marine training camp at Parris Island. It cannot be said they died because the training was too rigorous. It cannot be said they died because of a failure in judgment. It cannot be said they died because of the system employed. It might be said that probably their tragic deaths are due almost wholly to accident. Now there is no argument about the fact that accidents generally happen because of the failure to act or because of incorrect action or because of a fault.

The finest military organization in the world today is the United States Marine Corps. Their tremendous accomplishments in time of war, their heroism, their courage, their driving force represent a mountain of evidence as to the greatness of their quality. An examination of history will disclose that never on the field of human conflict has the ability, the courage and the power of the United States Marine Corps ever been equaled.

This eminent record of achievement has not come about easily. It is the result of the terrific attention to training of each individual Marine, a training to defend himself as well as to win out in any conflict with an enemy, a training to handle himself completely, individually, or in a group, a training to make each marine completely dependent upon himself, a training with others in the form of a team. Because of this training and the great accomplishments of the Marines for the United States of America, and for the cause of freedom, there is an esprit de corps in the United States Marine Corps unequaled in the entire world.

The training is rigorous. It is tough. It is demanding. It is strenuous. It requires full employment of a young man's mental and physical qualities. The one thing that we must not forget is that because of this training when a marine is facing his enemy, he has the advantage. The marine has a better chance to survive than does his enemy

because he is the better trained. Only survivors win wars. The men who die pay for them, but they do not win them.

In our thinking about this tragedy at Parris Island, let us not lose our focus upon the objective, and that is to train these young men so that they might live when they are face to face with the enemy. In our other military forces, we train pilots and men to operate all kinds of machines of war. In the training of these men deaths occur due to accidents. Because of these accidents, however, the training of the men who follow is always just a little better. So it is and will be in the Marine Corps because of these tragic deaths at Parris Island. Let us make sure, let us be certain the young men who follow in training in the Marine Corps will be better trained.

It is easy to say, "Oh, this training is too difficult." It certainly sounds difficult to the average person sitting comfortably before his television in his comfortable living room. But it is not too difficult when the rigors of modern warfare are considered. In this connection, no training is too difficult. The training of our men must be on such a basis that it will prepare them to have the advantage over the enemy in time of war. Upon this their lives depend.

This morning, it was my pleasure to have breakfast with a wonderfully fine group of boys and girls from Groton, Mass., a part of my district. As we were together, I could not refrain from thinking about the future of these fine boys sitting to my right and to my left in the breakfast room. In this regard I want to emphasize that if any of these fine young men had to go into combat in the defense of their country I would want them to go with the best possible training and the best equipment our country could give them. In this way, I believe they not only would be of great service to their country but they would be able to defend themselves and to prevail against their enemies.

In conclusion, I should like to emphasize again that I hope the Congress and the people of America will bear in mind that our country, the United States of America, requests and demands a very high level of ability, knowledge, courage, and forceful determination from the men who wear the uniform of the United States Marine Corps. As a Nation, we expect them to do the impossible and the United States Marine Corps has never let this Nation down, for they have done the impossible time after time after time.

My plea today then is a plea of caution. Let us not be too hasty to form unwarranted conclusions. At the same time I extend to the families and loved ones of these young men my heartfelt sympathy and assure them these boys have contributed greatly to the efficiency and the quality that we respect so highly in the United States Marine Corps. Let us hold fast to the great qualities of the Marine Corps. Let us bring more and more wisdom into the training of our young men. Let us provide them with the knowledge, the ability, the assurance, together with the faith in themselves and their military service. Do not destroy

that which has been nobly constructed out of the fury and fire of victory. May men continue to be proud—proud they are marines.

AGRICULTURAL ACT OF 1956—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 380)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 12, designated as the Agricultural Act of 1956.

It is with intense disappointment and regret that I must take this action. I assure you my decision has been reached only after thorough consideration and searching my mind and my conscience. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems. This bill does not meet their needs.

I am disappointed at the long delays which this legislation encountered. My first special request in this session of the Congress was for prompt remedial farm legislation. A sound, constructive nine-point program to this end was submitted on January 9, with an urgent request for action. It was a program that came from the grassroots. Suggestions and criticisms from large numbers of farm people, in every type of agriculture, from every section of the country, were analyzed and used. It offered no magic panacea because, we can all agree, there is none. It did strike directly at the root of the low-price low-income problem.

The problem is price-depressing surpluses. Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued. Any forward-looking, sound program to meet the needs of farm people must remove the burden of these accumulations. They are depressing net farm income by many hundreds of millions of dollars a year.

H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people.

The bill is self-defeating. The soil-bank proposal has been incorporated. This would be constructive, had it not been encumbered by contradictory provisions. The soil bank would provide an income incentive to farmers to reduce production temporarily so that surplus stocks might be reduced. Other provisions of this bill, however, would result in an equal or greater incentive to increase production and accumulate more surplus.

Among the provisions which make this bill unacceptable are: (1) the return to war-time rigid 90 percent of parity supports for the basic commodities; (2) dual parity for wheat, corn, cotton, and peanuts; (3) mandatory price supports

for feed grains; (4) multiple-price plans for wheat and rice. The effect of these provisions would be to increase the amount of Government control and further add to our price-depressing surpluses.

Specific objections relative to each of these provisions may be summarized as follows:

1. Price supports at war-time 90 percent of parity on basic crops were in effect in each year from 1944 through 1954. They were not responsible for the high commodity prices and high farm income of wartime and the immediate postwar years. Prices were then above support levels due to wartime inflation and the insatiable markets associated with war. Neither did 90-percent supports prevent prices from falling as post-war surplus stocks began to accumulate.

Price supports at wartime 90 percent on the 6 designated basic crops did encourage production of these crops relative to others. At the same time consumption was discouraged and the use of substitutes was stimulated. Market outlets shrank, and surplus accumulations mounted. Acreage controls had to be invoked, thereby rationing the right to produce. Wheat acreage was reduced from 79 to an allotment of 62 and then to the present 55 million acres. Cotton was cut from 25 to 20 and then on down to the present 17 million acres. These drastic reductions, forced by the application of the price-support law, penalized many farmers directly by resulting in shrunken volume and uneconomic farming operations. In addition, acreage diverted from the basic crops shifted surplus problems into many other crops and livestock. Now almost every farmer is adversely affected, regardless of what crops or livestock he raises.

If wartime rigid 90-percent supports were the answer to the problem of our farm families, there would now be no problem.

Farm incomes have declined in every year except one between 1947 and 1954, and in all these years 90 percent supports were in effect.

Farmers are not interested in price alone. What they really want for their families is more net income, which is affected by volume and costs as well as by price. The 90 percent of parity approach focuses on support price alone.

To return now to wartime 90 percent supports would be wrong. Production would be stimulated. Markets would be further destroyed, instead of expanded as must be done. More surplus would accumulate—and surpluses are price depressing. Regimentation by ever stricter production controls would be the end result.

It is inconceivable that we should ask farm families to go deeper into this self-defeating round of cause and effect.

2. The provision for dual parity would result in a permanent double standard of parity for determining price supports. Four crops would receive preferential treatment out of 160 products for which parity prices are figured. There is no justification in logic or in equity for such preferential treatment.

Particularly is this true because, under the working of the modernized parity formula enacted by the Congress, increasing the parity prices of some commodities automatically lowers the parity prices of all other commodities. If parity prices for wheat, corn, cotton, and peanuts are to be higher, then parity prices of the other products must be lower.

To whatever degree prices would be further artificially raised there would be a corresponding stimulus to production, more controls on farmers, reduced consumption, increased accumulations, and lower prices in the market. Such a device for parity manipulations could destroy the parity concept itself. It places a potent weapon in the hands of opponents of all price supports for farmers. We have no right to place the welfare of our farm families in such jeopardy.

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and less on grain. The flow of feed grains into Government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.

4. The multiple-price plans for wheat and rice would have adverse effects upon producers of other crops, upon our relations with friendly foreign nations, and upon our consumers.

There are other serious defects in the bill such as certain provisions found in the section dealing with the dairy industry. Still other features are administratively bad and would require the hiring of thousands of additional inspectors and enforcers.

I recognize that the restoration by H. R. 12 of wartime mandatory 90 percent price supports applies only to 1956 crops. This, in combination with other objectionable features of the bill, would put us back on the old road which has proved so harmful to farmers.

Bad as some provisions of this bill are, I would have signed it if in total it could be interpreted as sound and good for farmers and the Nation.

After the most careful analysis I conclude that the bill is contradictory and self-defeating even as an emergency relief measure and it would lead to such serious consequences in additional surpluses and production controls as to further threaten the income and the welfare of our farm people.

Because the good features of the bill are combined with so much that would be detrimental to farmers' welfare, to sign it would be to retreat rather than advance toward a brighter future for our farm families.

We now have sound and forward-looking legislation in the Agricultural Act

of 1954. Neither that act, nor any other, can become fully effective so long as it is smothered under the vast surpluses that have accumulated. We imperatively need remedial legislation to remove this burden and enable the fundamentally sound program provided in the act of 1954 to become workable. Such remedial measures were proposed in my message of January 9.

I am keenly mindful that the failure of the Congress to enact a good new farm bill can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately. Particularly, the failure to enact a Soil Bank before planting time this year makes such administrative efforts imperative.

Consequently, we are going to take prompt and decisive administrative action to improve farm income now. I have conferred with the Secretary of Agriculture and the administration is moving immediately on four major fronts:

1. In 1956, price supports on five of the basic crops—wheat, corn, cotton, rice and peanuts—will be set at a level of at least 82½ percent of parity. Tobacco will be supported as voted in the referendum in accordance with existing law.

Within this range of price support flexibility, the administration intends to set minimum support levels that will result in a national average of:

Wheat at \$2 a bushel.

Corn at \$1.50 a bushel.

Rice at \$4.50 per hundred pounds.

A separate support for corn not under acreage control in the commercial corn area will be announced at an early date.

Price supports on cotton and peanuts have not yet been announced but will be at least 82½ percent of parity.

The Secretary of Agriculture will announce shortly the details of the new cotton export sales program.

2. For this year the support price of manufacturing milk will be increased to \$3.25 per hundred pounds. The support price of butterfat will be increased to 58.6 cents a pound.

3. We will use Department of Agriculture funds, where assistance will be constructive, to strengthen the prices of perishable farm commodities. We will have well over \$400 million for that purpose for the year beginning July 1.

These actions the administration will take immediately.

I now request Congress to pass a straight soil-bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound Soil Bank Act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.

This combined program of administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families.

Here is a challenge for both the legislative and executive branches of the Federal Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 16, 1956.

The SPEAKER. The objections of the President will be spread at large upon the Journal, and without objection the bill and message will be ordered printed.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the further consideration of the message be postponed until Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AMENDING THE FEDERAL PROPERTY ACT OF 1949

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WILLFUL DESTRUCTION OF AIRCRAFT OR MOTOR VEHICLES

The Clerk called the bill (H. R. 319) to punish the malicious destruction of aircraft and attempts to destroy aircraft.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL MOTTO

The Clerk read the resolution (H. J. Res. 396) to establish a national motto of the United States.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the national motto of the United States is hereby declared to be "In God we trust."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF LAND TO MUSKOGEE, OKLA.

The Clerk called the bill (H. R. 7679) to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to convey by quitclaim deed to the city of Muskogee, Okla., all the right, title, and interest of the United States in and to a tract of land containing approximately nine acres located north of the existing Veterans' Administration hospital reservation situate in Muskogee County, State of Oklahoma, likewise being a portion of certain lands conveyed to the United States by the city of Muskogee by warranty deed dated March 17, 1945, recorded in the office of the clerk of Muskogee County on June 23, 1945, in book 839, pages 432 to 434, the exact courses and distances of the perimeter of which shall be determined and approved by the Administrator of Veterans' Affairs. The city of Muskogee shall pay the cost of surveys as may be required by the Administrator of Veterans' Affairs in determining the required legal description.

SEC. 2. There shall be reserved to the United States all minerals, including oil and gas, in the lands authorized for conveyance by section 1, and the deed of conveyance shall continue such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

SEC. 3. The deed of conveyance shall provide that the tract of land authorized to be conveyed by section 1 of this act shall be used by the city of Muskogee, Okla., for such purposes as will not, in the judgment of the Administrator of Veterans' Affairs or his designate, interfere with the care and treatment of patients in the Veterans' Administration Hospital, Muskogee, Okla., and that if such provision is violated, title to the tract shall revert to the United States.

With the following committee amendment:

Page 1, line 7, strike out "nine" and insert "eight and sixteen one-hundredths."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND TRANSFERRED TO ROSEBURG, OREG.

The Clerk called the bill (H. R. 8123) authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Roseburg, Oreg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subject to section 2 of this act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Roseburg, Oreg., all of the right, title, and interest of the United States in and to a tract of land containing 125 acres, more or less, situated in the Veterans' Administration hospital reserva-

tion in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs.

SEC. 2. The conveyance authorized by this act (1) shall provide that the tract of land so conveyed shall be used for park purposes, and shall be available for recreational use by the patients of the Veterans' Administration Hospital, Roseburg, Oreg., under the same conditions as it may be made available to the public, so long as the property is used for the purpose conveyed, and if it shall ever cease to be used for such park purposes the title to such property shall revert to the United States, which shall have immediate right of reentry thereon, (2) shall reserve to the United States all mineral rights, including gas and oil, in the land so conveyed, and (3) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

With the following committee amendments:

Page 1, line 4, strike out "Veterans' Affairs" and insert "General Services."

Page 2, line 16, strike out "Veterans' Affairs" and insert "General Services."

The committee amendments were agreed to.

Mr. ELLSWORTH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ELLSWORTH: On page 1, line 7, after the word "and," strike out "twenty-five" and insert "sixty-three."

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Michigan.

Mr. FORD. Is it true that the amount originally included in the bill and the amount in this bill was donated to the Federal Government by the city of Roseburg?

Mr. ELLSWORTH. Yes, that is correct. The city of Roseburg in 1932 donated to the Federal Government 413.7 acres of land. The Veterans' Administration now find that they have no further use for the total of 163 acres of land which the city of Roseburg is ready and willing to make into a park, and the bill requires that the land, when transferred to the city, be used for that purpose.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Administrator of General Services to convey certain property of the United States to the city of Roseburg, Oreg."

A motion to reconsider was laid on the table.

LAND TRANSFER TO BONHAM, TEX.

The Clerk called the bill (H. R. 8490) authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Bonham, Tex.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

HOLD FOR RELEASE

HOLD FOR RELEASE

April 16, 1956

CONFIDENTIAL: To be held in STRICT CONFIDENCE and no portion, synopsis or intimation to be given out or published until the President's Message has been delivered to the House of Representatives. Extreme care must therefore be exercised to avoid premature publication.

JAMES C. HAGERTY, PRESS SECRETARY TO THE PRESIDENT

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning herewith, without my approval, H. R. 12, designated as the "Agricultural Act of 1956."

It is with intense disappointment and regret that I must take this action. I assure you my decision has been reached only after thorough consideration and searching my mind and my conscience. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems. This bill does not meet their needs.

I am disappointed at the long delays which this legislation encountered. My first special request in this session of the Congress was for prompt remedial farm legislation. A sound, constructive 9-point program to this end was submitted on January 9, with an urgent request for action. It was a program that came from the grass roots. Suggestions and criticisms from large numbers of farm people, in every type of agriculture, from every section of the country, were analyzed and used. It offered no magic panacea because, we can all agree, there is none. It did strike directly at the root of the low price -- low income problem.

The problem is price-depressing surpluses. Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of war-time price incentives too long continued. Any forward-looking, sound program to meet the needs of farm people must remove the burden of these accumulations. They are depressing net farm income by many hundreds of millions of dollars a year.

H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people.

The bill is self-defeating. The Soil Bank proposal has been incorporated. This would be constructive, had it not been encumbered by contradictory provisions. The Soil Bank would provide an income incentive to farmers to reduce production temporarily so that surplus stocks might be reduced. Other provisions of this bill, however, would result in an equal or greater incentive to increase production and accumulate more surplus.

Among the provisions which make this bill unacceptable are: (1) the return to a war-time rigid 90 percent of parity supports for the basic commodities; (2) dual parity of wheat, corn, cotton, and peanuts; (3) mandatory price supports for feed grains; (4) multiple-price plans for wheat and rice. The effect of these provisions would be to increase the amount of government control and further add to our price-depressing surpluses.

(more)

Specific objections relative to each of these provisions may be summarized as follows:

1. Price supports at war-time 90 percent of parity on basic crops were in effect in each year from 1944 through 1954. They were not responsible for the high commodity prices and high farm income of wartime and the immediate postwar years. Prices were then above support levels due to wartime inflation and the insatiable markets associated with war. Neither did 90 percent supports prevent prices from falling as postwar surplus stocks began to accumulate.

Price supports at wartime 90 percent on the six designated basic crops did encourage production of these crops relative to others. At the same time consumption was discouraged and the use of substitutes was stimulated. Market outlets shrank, and surplus accumulations mounted. Acreage controls had to be invoked, thereby rationing the right to produce. Wheat acreage was reduced from 79 to an allotment of 62 and then to the present 55 million acres. Cotton was cut from 25 to 20 and then on down to the present 17 million acres. These drastic reductions, forced by the application of the price support law, penalized many farmers directly by resulting in shrunken volume and uneconomic farming operations. In addition, acreage diverted from the basic crops shifted surplus problems into many other crops and livestock. Now almost every farmer is adversely affected, regardless of what crops or livestock he raises.

If wartime rigid 90 percent supports were the answer to the problem of our farm families, there would now be no problem.

Farm incomes have declined in every year except one between 1947 and 1954, and in all these years 90 percent supports were in effect.

Farmers are not interested in price alone. What they really want for their families is more net income, which is affected by volume and costs as well as by price. The 90 percent of parity approach focuses on support price alone.

To return now to wartime 90 percent supports would be wrong. Production would be stimulated. Markets would be further destroyed, instead of expanded as must be done. More surplus would accumulate -- and surpluses are price depressing. Regimentation by ever stricter production controls would be the end result.

It is inconceivable that we should ask farm families to go deeper into this self-defeating round of cause and effect.

2. The provision for dual parity would result in a permanent double standard of parity for determining price supports. Four crops would receive preferential treatment out of 160 products for which parity prices are figured. There is no justification in logic or in equity for such preferential treatment.

Particularly is this true because, under the working of the modernized parity formula enacted by the Congress, increasing the parity prices of some commodities automatically lowers the parity prices of all other commodities. If parity prices for wheat, corn, cotton and peanuts are to be higher, then parity prices of the other products must be lower.

(more)

To whatever degree prices would be further artificially raised there would be a corresponding stimulus to production, more controls on farmers, reduced consumption, increased accumulations, and lower prices in the market.

Such a device for parity manipulations could destroy the parity concept itself. It places a potent weapon in the hands of opponents of all price supports for farmers. We have no right to place the welfare of our farm families in such jeopardy.

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and less on grain. The flow of feed grains into government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.
4. The multiple-price plans for wheat and rice would have adverse effects upon producers of other crops, upon our relations with friendly foreign nations, and upon our consumers.

There are other serious defects in the bill such as certain provisions found in the section dealing with the dairy industry. Still other features are administratively bad and would require the hiring of thousands of additional inspectors and enforcers.

I recognize that the restoration by H. R. 12 of wartime mandatory 90% price supports applies only to 1956 crops. This, in combination with other objectionable features of the bill, would put us back on the old road which has proved so harmful to farmers.

Bad as some provisions of this bill are, I would have signed it if in total it could be interpreted as sound and good for farmers and the nation.

After the most careful analysis I conclude that the bill is contradictory and self-defeating even as an emergency relief measure and it would lead to such serious consequences in additional surpluses and production controls as to further threaten the income and the welfare of our farm people.

Because the good features of the bill are combined with so much that would be detrimental to farmers' welfare, to sign it would be to retreat rather than advance toward a brighter future for our farm families.

We now have sound and forward-looking legislation in the Agricultural Act of 1954. Neither that Act, nor any other, can become fully effective so long as it is smothered under the vast surpluses that have accumulated. We imperatively need remedial legislation to remove this burden and enable the fundamentally sound program provided in the Act of 1954 to become workable. Such remedial measures were proposed in my message of January 9.

I am keenly mindful that the failure of the Congress to enact a good new farm bill can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately. Particularly, the failure to enact a Soil Bank before planting time this year makes such administrative efforts imperative.

more

Consequently, we are going to take prompt and decisive administrative action to improve farm income now. I have conferred with the Secretary of Agriculture and the Administration is moving immediately on four major fronts:

1. In 1956, price supports on five of the basic crops -- wheat, corn, cotton, rice and peanuts -- will be set at a level of at least 82-1/2% of parity. Tobacco will be supported as voted in the referendum in accordance with existing law.

Within this range of price support flexibility, the Administration intends to set minimum support levels that will result in a national average of:

Wheat at \$2.00 a bushel

Corn at \$1.50 a bushel

Rice at \$4.50 per hundred pounds

A separate support for corn not under acreage control in the commercial corn area will be announced at an early date.

Price supports on cotton and peanuts have not yet been announced but will be at least 82-1/2% of parity.

The Secretary of Agriculture will announce shortly the details of the new cotton export sales program.

2. For this year the support price of manufacturing milk will be increased to \$3.25 per hundred pounds. The support price of butter fat will be increased to 58.6 cents a pound.

3. We will use Department of Agriculture funds, where assistance will be constructive, to strengthen the prices of perishable farm commodities. We will have well over \$400 million for that purpose for the year beginning July 1.

These actions, the Administration will take immediately.

I now request Congress to pass a straight Soil Bank Bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the Soil Bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound Soil Bank Act as soon as Congress sends it to me. ~~That~~ can be accomplished in a very few days if the leadership in Congress will undertake the task.

This combined program of Administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families.

Here is a challenge for both the Legislative and Executive branches of the Federal Government.

THE WHITE HOUSE,
April 16, 1956

DWIGHT D. EISENHOWER

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 19, 1956
For actions of April 18, 1956
84th-2nd, No. 63

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HIGHLIGHTS: House failed to override President's veto of farm bill. Sens. Humphrey and Johnston criticized and others defended President's veto of farm bill. Senate received from this Department proposed bill amending Watershed and Flood Prevention Act. Senate committee reported Johnston Civil Service retirement bill. Senate committee reported bill to release Tongass Forest receipts from escrow. Senate agreed to limit debate on bill to increase U. S. contributions to FAO. House committee ordered reported bill to improve and simplify government accounting methods. Several (continued on last page)

HOUSE

1. FARM PROGRAM. Rep. Cooley and others criticized the President's veto of H. R. 12, the farm bill, and Rep. Halleck defended the President's action. In the vote to override the veto, the question failed of the necessary two-thirds majority (202 for, 211 against). p. 5852
2. FOREIGN TRADE. Began debate on H. Res. 459, to authorize the Ways and Means Committee to make a full study of GATT and the Organization for Trade Cooperation. p. 5877
The Ways and Means Committee reported with amendments H. R. 5550, to provide for U. S. participation in GATT and OTC (H. Rept. 2007). p. 5889
3. PERSONNEL. Both Houses received from the Attorney General a proposed bill "to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security"; to Post Office and Civil Service Committees. pp. 5771, 5889

4. FINANCES. Received from the Treasury Department the annual report on the state of finances of the Government (H. Doc. 243); to the Ways and Means Committee. p. 5889
5. LOANS. The Interior and Insular Affairs Committee reported with amendment H. R. 8385, to provide for the transfer from the Interior Department to the Agriculture Department of authority for the collection and settlement of certain Puerto Rican hurricane relief loan debts (H. Rept. 2009). p. 5889
6. FOOD. The Government Operations Committee issued a report on Food and Clothing Depot Utilization (H. Rept. 2013). p. 5889
7. ACCOUNTING. The Government Operations Committee ordered reported with amendment H. R. 9593, to simplify accounting and facilitate the payment of obligations. p. D358
8. HIGHWAYS. The Public Works Committee ordered reported H. R. 8836, to authorize appropriations for continuing the construction of highways (p. D359). The "Daily Digest" states that the committee "directed Rep. Fallon, chairman of the Subcommittee on Roads, to introduce a clean bill incorporating, as title I, the Federal Aid Highway Act of 1956 (H. R. 8836), and, as title II, the Federal Highway Revenue Act of 1956 (H. R. 9075)." p. D359

SENATE

9. FARM PROGRAM. Sens. Humphrey and Johnston criticized and others defended the President's veto of H. R. 12, the farm bill. pp. 5806, 5830
Sen. Payne inserted a newspaper editorial setting forth the merits of a soil bank program. p. 5789
10. APPROPRIATIONS. Majority Leader Johnson announced that H. R. 9390, the Interior Department appropriation bill, will be taken up on Mon., Apr. 23. p. 5770
11. WATERSHEDS; FLOOD CONTROL. Received from this Department proposed legislation amending the Watershed Development and Flood Prevention Act; to Agriculture and Forestry Committee. (For summary of provisions see Digest No. 62.) p. 5771
12. FORESTRY. The Interior and Insular Affairs Committee reported with amendment S. 2517, to release from escrow the receipts from the sale of timber in the Tongass National Forest (S. Rept. 1778). p. 5773
13. PERSONNEL. The Post Office and Civil Service Committee reported with amendment S. 2875, the Johnston bill to provide increased retirement benefits to retiring Federal employees (S. Rept. 1787). p. 5773
14. FAO. Agreed to limit debate on S. J. Res. 97, which increases U. S. Contributions to FAO, to 2 hours for any amendment, motion, or appeal beginning Thurs. p. 5830
15. FLOOD CONTROL. Passed without amendment S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects. p. 5800

Eaton, Melville L.	Holland, Harold B.	Lecocke, Frank J.	Nelson, Marlin G.	Schmidt, John L.	Tatum, James M.
Eccles, Spencer F.	Hollenbeck, Elmer W.	Lee, Ray H.	Netterblad, John W.	Schneider, Robert S.	Taurke, Erwin A.
Eckert, William N.	Hollister, Myron P.	Lehner, William J., Jr.	Nichols, William B.	Schofield, David G.	Taylor, Henry S., III
Edsall, Richard H.	Hood, William P., Jr.	Leonard, Ronald K.	Nicholson, Donald E.	Schoonmaker, Paul D.	Taylor, Perry R., Jr.
Edwards, Eugene T.	Hooker, Richard D.	Leoniak, John J.	Nicoll, Carl R.	Schober, Frank J., Jr.	Taylor, Richard C.
Ellis, Don C.	Hopkins, Woodard B., Jr.	Lester, Robert J.	Nobriga, Gordon H.	Schuler, James D.	Taylor, William H.
Enloe, James A.	Hopp, Keith R.	Lindanger, Earl L.	Nock, Carleton C.	Schwab, Bernard A., III	Thacker, Geibel R.
Ethridge, Wayne H.	Horn, Will H.	Lingaitis, Francis V.	Norbo, Gary J.	Sechrest, Noah S., Jr.	Theroux, Gilbert L.
Evans, Bobi R.	Horriggan, Lawrence B., Jr.	Littlejohn, Thomas W.	Novotny, Richard A.	Seiser, William R.	Thompson, Ronald A.
Evans, Gary B.	Horton, Floyd W.	Lockridge, Robert W., Jr.	Nowick, Henry W.	Selch, Glenn C.	Ticken, Richard V.
Farley, Andrew N.	Houtis, Harry S.	Lockwood, Willard E.	O'Brien, Robert M.	Senko, John M.	Tippett, Laurence A.
Fee, Gordon G.	Houston, Joseph B., Jr.	Logan, Rodney W.	O'Bryant, James E.	Sherby, Thomas A.	Todd, Ronald D.
Fennell, George R., Jr.	Howerton, William B.	Losik, Robert C.	Oeck, Emil A.	Sherrill, Ernest K.	Tompkins, Raymond E.
Filler, Merl C., Jr.	Hudson, Alfred H.	Lowe, Jack W.	O'Keefe, Timothy J., Jr., O4051990	Sherrill, Lawrence W., Jr.	Toner, Richard B.
Finehout, Robert E.	Hudspeth, Thomas J.	Lowe, Thomas L., Jr.	Onley, John H.	Shoemaker, James P.	Torres, Marco, Jr.
Finley, Jerry D.	Huff, Donald W.	Lundberg, Ronald J.	O'Rourke, Lewis C.	Shore, Lawrence B.	Townsend, Merton L.
Fisher, Anthony B.	Humphrey, Jerry H.	Lunn, John G.	O'Rourke, Peter J., Jr.	Short, Earl D., Jr.	Treece, Ausby J.
Fisher, Robert L.	Hunt, Byron W.	Lunsford, Earl M.	Osa, Nelson	Shuck, David L.	Tripp, Joseph W.
Fitzmorris, Lawrence B.	Hunt, J. Howard	Lyons, Calvin G.	O'Shaughnessy, Thomas E., Jr.	Shumate, John W.	Trunday, Roger S.
Florence, David L.	Hutson, Leonard E.	Maass, Charles G.	Owens, John H.	Shumway, Dean L.	Turk, Roy M.
Floyd, Jerry M.	Hutton, John D.	Maguire, James E.	Padden, Edmund J., Jr.	Sides, Jerry M.	Turley, James R.
Foard, John B., III	Immschweiler, David R.	Malsbary, James S.	Padgett, David H., Jr.	Sigler, Jackson L., Jr.	Tyler, Warren C.
Ford, Wilbur E., Jr.	Ingram, Duane C.	Manhart, Richard A.	Painter, Charles F.	Sikenga, Donald P.	Vanbebber, Herman J.
Frale, James J.	Ippolito, Charles P.	Mann, Robert L.	Pape, Richard J.	Simon, Frederic P.	Van Cleave, Henry D., Jr.
Frazier, Charles H.	Irvin, Charles L.	Mapes, Steven E.	Parham, Byron A. P.	Simpson, Charles E., Jr.	Van Poucke, Marcel L., Jr.
Freeman, Charles G.	Israel, Glenn A.	Maphis, Samuel W.	Parks, Donald	Sims, Paul D.	Vetterling, John M.
Freisem, Robert D.	Jackson, George F., Jr.	Marguccio, Robert G.	Parsons, Walter H., III	Sinagra, Robert L.	Victory, Antony M.
Galligan, Robert A.	Jakuc, Henry S.	Marinelli, Gino A.	Patton, Edwin P., Jr.	Sitkin, Charles P.	Von Urff, Charles A.
Garrett, Doyle B.	James, William N.	Marquis, Donald A.	Pearson, John R.	Skoronski, Frank M.	Wahl, Don D.
Garrett, Richard E.	Jarvis, Richard C.	Marshall, John P.	Pearson, Stanley R.	Smedley, Jimmy C.	Wakefield, Donald Y.
Garside, Robert E.	Jefferson, Walter, Jr.	Martin, Samuel	Pellegrinon, Ronald G.	Smith, Raymond G.	Walker, George J.
Georges, Peter J.	Jenkinson, Harlan H.	Marx, Thomas J.	Perryman, James D., Jr.	Smith, Raymond W.	Walker, Jimmy F.
Gibb, Robert B.	Jensen, Lynn R.	Mason, John	Perryman, William E.	Smith, William F.	Walker, Peter H.
Gibbons, James H.	Jessup, William R.	Mason, Richard O., Jr.	Phillips, William F., Jr.	Snowden, Edgar, IV	Walls, William H.
Giles, George E.	Jetta, Norman W.	Massey, Oran A.	Pitre, Kenneth M.	Snyder, Harold B., Jr.	Warlick, Joseph R., Jr.
Gillie, Gerald R.	Johnson, William J.	Matthews, Kenneth F., Jr.	Pitre, George L., Jr.	Snyder, Ronald E.	Watke, Frederic W.
Gilmore, Joseph R.	Jones, Carleton H., Jr.	McCain, Arthur W., Jr.	Polhemus, Richard E.	Snyder, William H., III	Watts, Ronald L.
Gilpatrick, Volney T., Jr.	Jones, Teddy R.	McCarthy, John J.	Potkin, Paul F.	Speth, Gerald L.	Weber, Wayne G.
Givhan, Walter H.	Jordan, Arthur B., III	McCarty, Douglas W.	Powell, Richard E.	Squires, Myron E.	Weinkauff, Donald E.
Glasker, Samuel J.	Jovan, George A.	McClain, Robert C.	Powers, Max L.	Staiger, Charles W.	Werning, John B.
Glover, Richard R.	Judd, Roger C.	McClain, Terrence W.	Pugnire, Robert M., Jr.	Stark, Robert L.	Wheatley, Robert R., III
Goddard, Donald R.	Kalbaugh, Gary A.	McCoy, Charles E., Jr.	Raines, Fred B.	Stern, Allan R.	White, Jack A.
Gonzales, Richard E., Jr.	Karlin, Philip J.	McCreedy, David J.	Rainey, Ellis C., Jr.	Stevens, Philip J.	Whitmer, Henry J.
Gooch, Robert G.	Katz, Charles M.	McCreery, John L.	Ramey, Hubert D.	Stevenson, Frederick N., Jr.	Wiersemä, Kenneth E.
Gordon, Harold J.	Kaufman, Richard C.	McCullough, James A.	Ranger, David W.	Stewart, Charles F., Jr.	Wilber, Donald E., O4058431
Gordon, John V.	Keliher, John G.	McCurry, Spencer L., Jr.	Raudebaugh, James D.	Stewart, James A.	Wiljanen, Walter A.
Gordon, Kenneth F.	Kelly, James O.	McDowell, Robert C.	Ray, Robert L.	Stiles, Ronald E.	Wilkerson, Arlie J.
Gothard, Donald L.	Kelly, Thomas A.	McFadden, James D.	Reason, Robert L.	Stillions, Eugene L., Jr.	Williams, Donald G.
Gowell, Earle R., Jr.	Kennedy, Irvin D.	McGinley, Frank L.	Reed, Donald L.	St. Jacques, Ernest O.	Williams, Richard L.
Greene, Earl M.	Keppeler, John P., II	McGowan, Paul A.	Reedy, Henry J.	Stokes, Theodore K.	Williford, Donald E.
Griffith, Franklin D.	Kernan, Redmond F., III	McGraw, Van C.	Reeves, Stanley J.	Stokes, William M., III	Wilson, Robert W.
Griminger, Charles O.	Kilpe, Gunars	McGregor, Donald V.	Reicker, Frederick A.	Stone, Frank R., Jr.	Wittekind, Wilfred H.
Grinnell, Leroy A.	Kimpton, John E.	McKee, William S.	Rein, Richard H.	Stork, Richard C.	Wojtal, Robert J.
Gross, Donald	Kinder, Norman W.	McKinney, Collin J., Jr.	Rhoads, David E.	Storms, Peter F.	Wojtas, Jerry R.
Gross, Thomas R.	King, John R.	McKinney, Horatio W.	Rhodes, Chester J.	Storrs, Norman B.	Wolfe, Robert A.
Groves, Billie R.	Kirkmire, Nicholas J.	McKown, Richard J.	Rhone, Jimmy S.	Stotser, George R.	Wolfe, William M.
Guilfoyle, Francis M.	Kitchen, Kenneth S.	McLaughlin, Charles H.	Riggs, Joseph A., Jr.	Streisand, Sheldon J.	Woodie, Kenneth J.
Habermann, Larry M.	Kite, John C.	McLaughlin, James J.	Rivera-Sola, Fernando	Stringer, Paul G.	Woodmansee, Wayne E.
Harbuck, Edwin C.	Klein, Rudolph F., III	McLeod, David S.	Roberts, Charles W.	Strohmayer, Alfred R.	Woods, Robert D.
Hardin, James A.	Knapper, Aubrey L.	McMillan, Robert B.	Robinson, Thonius, Jr.	Strong, Daniel M.	Yoho, Robert O.
Harding, Trewitt D.	Kohlhoff, Karl F.	McSpadden, Gilbert R., Jr.	Rod, Ronald F.	Stuart, James R.	Young, Charles D.
Harmon, Marsden A.	Kramer, Bryce R.	Merchant, Frederic L., Jr.	Roddy, Robert E.	Stuart, John C., Jr.	Young, Daniel K., Jr.
Harris, Bruce R.	Kraus, John H.	Meyer, Allan E.	Rogers, Richard S., Jr.	Sturgeon, James M.	Zabransky, Ronald
Harris, Kenneth A.	Kripowicz, John P., Jr.	Meyers, Stewart E., Jr.	Romanski, James F.	Sultenfuss, Gerard E.	Zanuck, Richard D.
Harwig, Donald H.	Krome, Alan	Mikuta, Joel J.	Rose, Jerald L.	Swann, John H.	Zekanis, Henry A.
Harwood, Michael S.	Kronenberger, Lawrence	Milliron, Joseph F.	Rose, Walter N.	Swift, John B.	Zickel, Raymond E., Jr.
Hatch, Vernon L.	Kronmiller, Lowell K., Jr.	Mills, Lawrence L.	Ross, Charles A.	Swoboda, Edward J.	Zoubandis, James
Haynes, Jesse L., Jr.	Kuluz, Peter J.	Mitcham, William G.	Roughley, David	Tapp, Richard L.	
Hearn, Jerry L.	Lackey, Lyman A., Jr.	Mock, Thomas D.	Roush, William W.	Tarby, Stephen K.	
Heckman, Richard T.	Ladd, John P.	Monahan, Edward J.	Roy, Charles D.		
Heggen, Larry E.	Lafayette, William P.	Morehead, Robert N.	Rubin, Franklin D.		
Hemminger, Girard E.	Lake, Howard K., Jr.	Morey, William S.	Rush, Karl C.		
Hersey, Frederic T.	Landry, Bernard A.	Morris, Joseph L.	Rusk, Edward E.		
Hickerson, Arville L.	Lane, Robert L.	Mosure, Thomas F.	Russell, James F.		
Hilgeman, Charles E., Jr.	Lang, George P.	Mouring, Barron W.	Ryan, Edmond M.		
Hilton, Jimmie L.	Lattner, George J.	Moxley, William M., Jr.	Sanches, Manuel L.		
Hinkleman, Robert S.	Laughon, Richard W.	Munro, Robert D.	Santiesteban, Humberto T.		
Hinspeter, William L.	Law, Laurence J.	Murphy, Clifton M.	Santoro, David A.		
Hodges, Charles E.	Lawhorn, Douglas A.	Murphy, George S., Jr.	Sawey, William J.		
Hodges, Harold E.	Lawrenson, Bruce E.		Schaubhut, Norman J.		
Hoffman, Jack E.	Leckinger, Paul A.		Schessler, Donald R.		
Hohmann, Jere W.			Schlee, Gerald J.		
Hokansson, Nils C. I.					
Holder, Bobby W.					

CONFIRMATION

Executive nomination confirmed by the Senate, April 18 (legislative day of April 9), 1956:

DEPARTMENT OF JUSTICE

George Cochran Doub, of Maryland, to be an Assistant Attorney General.

House of Representatives

WEDNESDAY, APRIL 18, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the source of the true, the splendor of the beautiful, and the strength of the good, we are again coming unto Thee through the old and familiar way of prayer, compelled by our needs and constrained by Thy love.

Grant that we may have a faith that is humble and courageous as we seek to minister and mediate unto all mankind the blessings of peace and prosperity.

Inspire us to give ourselves earnestly and eagerly to the leading of Thy spirit and may we make a more daring trial of the moral and spiritual resources which Thou hast placed at our disposal.

Fill us daily with a fervent desire and a strong determination to build a social order in which justice and righteousness, good will and brotherhood shall reign supremely.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

CORRECTION OF RECORD

Mr. ALBERT. Mr. Speaker, in yesterday's CONGRESSIONAL RECORD at page 5739, in the righthand column, line 11, I am quoted as having said "income-decreasing." This should read "income-increasing." I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

JOINT COMMITTEE TO MAKE NECESSARY ARRANGEMENTS FOR INAUGURATION OF PRESIDENT-ELECT AND VICE PRESIDENT-ELECT

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 64, 84th Congress, the Chair appoints as members of the joint committee to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 21st day of January 1957, the following Members on the part of the House: Mr. RAYBURN, Mr. McCORMACK, and Mr. MARTIN.

CALL OF THE HOUSE

Mr. JOHNSON of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 26]

Ashley	Haley	Morgan
Boykin	Healey	O'Hara, Minn.
Dawson, Ill.	Hoffman, Ill.	Patman
Donovan	Holtzman	Powell
Eberharter	Hosmer	Scherer
Engle	Jackson	Tollefson
Gamble	Johnson, Calif.	Velde
Gary	Kilday	Williams, N. Y.
Green, Pa.	Mollohan	Wolcott

The SPEAKER. On this rollcall 406 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON PUBLIC WORKS

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may sit in executive session during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AGRICULTURAL ACT OF 1956

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on the bill H. R. 12, an act to provide an improved farm program.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, I yield myself 30 minutes.

Mr. Speaker, I doubt very much if it is possible for me to say anything about H. R. 12 which has not already been said, but I do feel justified in making some observations about this very controversial measure. I introduced H. R. 12 on January 5, 1955. Our committee conducted long hearings. Our committee room was open to all who wanted to be heard. The bill was reported to the House with nonpartisan or bipartisan support and, after a very long and hard fight, the bill passed this House and was sent on to the Senate. There it remained until the beginning of this year.

Members of Congress are being criticized, and very severely criticized, because of what is called a great delay in the passage of farm legislation. I do

not think I need to defend the House Committee on Agriculture nor need I defend the membership of this House. I need only to put the facts in the RECORD, and the facts are that our committee and this House early last year recognized the seriousness of the farm situation and sought to do something about it. Yes, some of us are being accused of playing politics. I think all the Members of this House know me well enough to know, and they certainly know my distinguished colleague the gentleman from Kansas [Mr. HOPE] well enough to know, that neither one of us has ever at any time been willing to play politics with the problems of the farmers of America. Partisan politics has been kept out of the deliberations of our committee. I repeat here that in the 22 years I have served on the committee, we have had only one partisan vote, and that was in the spring of 1949.

This conference report does not represent only the labors and views of members of my party. I said here the other day and I repeat that I do not know how it would be possible for 10 devoted Members of Congress to work more diligently and more faithfully on a piece of legislation than did the House and Senate conferees on H. R. 12. This conference report is not the handiwork of Democrats. It was not signed only by members of my party. Of the 4 very distinguished statesmen of the Republican Party who sat day in and day out and way into the night, through the Easter holiday, 3 of the 4 signed this report. That should be convincing evidence to everyone that there is no partisan politics involved in this measure. Why should anyone be so absurd as to suggest that any of us are prompted by partisan politics? I have believed through the years and I still believe that the problems of agriculture are paramount to all other problems, even to the problems of peace; because until we can solve the paradox of plenty here in this Nation of ours and hunger in other lands, we cannot hope to live in a very peaceful world.

I have seen this week some great demonstrations of really true, sturdy statesmanship on this floor. I have seen men who have heretofore entertained views that they did not express here until last Wednesday. They were prompted by the purest emotions and impulses in the hearts of statesmen. And I am talking about Republican statesmen, who had the nerve, the honesty, and the integrity to come into the well of the House and say, "I have studied this problem, I have talked with my farmers at home, and I and I alone have been authorized to represent them in the House of Representatives"—one after the other. Can you

tell me that men like the distinguished gentleman from Iowa [Mr. JENSEN] and his colleagues, are not good Republicans? They are good Republicans if there are any on this earth. Can you tell me that Mr. BELCHER, our beloved colleague, who has labored long and hard on our committee, is playing politics because he voted for this measure which he knows provides the only hope to help the farmers of America in their present plight and predicament?

I could go on and name many Republicans who supported this bill not because of partisan politics but because they believed in it. I indulge the hope that they believe in it now.

Unfortunately, and I think it is unfortunate, I believe that the great man in the White House has been too well protected and insulated. I honestly do not believe that he has been well advised concerning the provisions of this bill. A reading of his veto message would indicate that he actually does not even now understand the provisions of this bill.

What does the bill do? What did all of us want to do? All of us wanted to do something to help the farmers of America. This veto will take out of the pockets of farmers more than \$3 billion that we were trying to put into their pockets.

The soil-bank provision does not increase farm income. It only replaces farm income. But one thing it definitely does, it definitely decreases farm purchasing power to exactly the same extent that the soil-bank fund is used.

I say that to appeal to the men from the industrial area. That soil bank will cut off \$1,200,000,000 of the purchasing power of the farmer and he will buy that much less fertilizer, insecticides, farm machinery, and other things that are needed on the farm. So why should we bring here a bill restricted only to the soil bank? The price-support provisions of this bill would put into the farmer's pocket approximately \$1,300,000,000, yes, income and purchasing power, and would not increase the surplus we now have in storage.

I hate to complain about the President's message. He says that this bill is full of contradictions. The fact is his message is full of inconsistencies. He seems to lose sight of the fact that before the producers of basic commodities are eligible to receive the 90-percent price support provided in the bill they must of necessity comply with the orders of Mr. Ezra Benson himself and reduce their acreage in keeping with his mandate. It is not a subsidy, it is not a hand-out.

Here we are, knowing as we sit here that farm income is going down and down and down, and that the impact is being felt in every industrial center in this country. Yes, in the country stores and out on the highways and the byways, you can see what has happened. We are inevitably going into another depression unless we can do something to check and change this tragic downward trend in farm income and purchasing power.

Now—what are we supposed to do about it? I voted here the other day,

honestly believing as I do today, that this is a good bill. I frankly admitted that it was somewhat of a legislative monstrosity when it came out of the other body and was referred to conference. But, we took the bill apart. We carved it to pieces section by section and word by word and we rewrote the bill in conference. We presented it here to the House with bipartisan support. The President complains about surplus disposal. By vetoing this bill, he prevented the enactment of 14 provisions which would have strengthened his arm in disposing of these surplus commodities or preventing their accumulation. We sought to give him \$500 million additional for section 32 operations and the power to pay the ocean freight to send surplus commodities to hungry people wherever they are in the world.

At this point, Mr. Speaker, I will not take the time to read but will insert for the RECORD a more detailed analysis of the President's veto message and the effects of his veto.

COMMENTS ON THE PRESIDENT'S VETO MESSAGE

First. The nine-point program referred to by the President in his message consisted largely of generalities and the blocking out of areas of the agricultural problem for study by Congress. No specific legislation was sent up to implement the program and it was not until February 28 that the Committee on Agriculture received specific legislative proposals embodying the recommendations of the President and the Secretary of Agriculture. The legislation was not then submitted voluntarily but was made available only after a direct committee request on the Secretary for such a bill.

Second. It is difficult to understand how H. R. 12 would encourage more surpluses than the program endorsed by the President. No change is made or proposed in the basic legislation under which production is now regulated and will continue to be regulated whether H. R. 12 becomes law or not. The basic tools for adjusting production to demand and preventing surpluses are the provisions of the Agricultural Act of 1938, as amended. These would be fully as operative under the provisions of H. R. 12 as they will be under any other type of program. In fact, they would be more effective at a higher level of support because it has been clearly demonstrated that there is greater compliance with marketing quotas and acreage allotments at high support level than at lower levels.

Even more important, however, is the fact that by vetoing H. R. 12, the President has deprived the Secretary of Agriculture of at least 14 new provisions of law to assist in dealing with the surplus problem—provisions providing authority which the Secretary does not now have and which he will not be able to exercise in the absence of new legislation. Following is a list of the new authority to prevent surpluses or to help dispose of them contained in H. R. 12 as approved by the House and Senate:

(a) Corn: In order to be eligible for price supports, corn producers would be

required to reduce their acreage of crop-producing land by 15 percent.

(b) Feed grains: H. R. 12 offers, for the first time, some solution to the rapidly deteriorating feed-grain situation that is hurting not only grain producers but livestock producers as well. Under the provisions of H. R. 12 feed-grain producers would be eligible for price supports only if they curtailed their acreage of feed grains at least 15 percent below their previous 3-year average. Under the Secretary's program feed-grain producers receive supports on all the grain they want to produce, without any limitation whatever on their acreage.

(c) To facilitate surplus disposal in the United States, the Secretary of Agriculture is authorized in the bill to process food commodities, such as grains, into a form—meal or flour—which can be used in the home and is also given authority long sought by both the States and the Federal Government to donate food commodities to certain penal institutions.

(d) To facilitate surplus disposal abroad, the President is given authority to pay ocean freight on surplus commodities donated for use in other countries and the amount which can be used under title II of Public Law 480 is increased from \$300 million to \$500 million.

(e) The domestic parity plan for wheat would solve a number of the problems relating to overproduction and surpluses of that commodity. It would encourage the producers voluntarily to limit their production to a quantity more properly adjusted to current needs. It would put world trade in American wheat on a sound economic basis for the first time in many years by making it possible to offer that wheat for sale on the world market, at the world price, without Government subsidy.

(f) Use of wheat as feed on the farm where grown would be facilitated by the wheat program in H. R. 12 by permitting any farmer, anywhere to grow all the wheat he wants to grow, without penalty, for use on his own farm for feed or food.

(g) Rice: The rice two-price plan would substantially improve the position of United States rice in the world market. Like the wheat program in the bill, it would make possible the sale of United States rice on the world market, at world prices, without any Government subsidy whatever.

(h) H. R. 12 would attack the surplus problem affecting long staple cotton by placing extra long staple cotton within the quota now set up for all cotton longer than 1½ inches.

(i) Solution of our surplus problem, particularly in textiles, would be substantially assisted by new authority given the President in H. R. 12 to negotiate voluntary agreements with representatives of other countries with respect to importations into the United States of competing agricultural commodities or products made therefrom.

(j) H. R. 12 authorizes appropriation of an additional \$500 million annually to section 32 funds, for use in surplus removal and disposal operations, particularly for perishable commodities.

(k) The bill authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture.

(l) H. R. 12 authorizes and directs the appointment of a commission to study and make recommendations to Congress on increased industrial use of agricultural products.

(m) To make more effective our present production control laws, the bill increases to 75 percent of the support price the penalty for exceeding peanut-marketing quotas.

(n) In order to further encourage the underplanting of acreage allotments, the bill authorizes a producer, for the first time, to plant only part or even none of an acreage allotment for 3 successive years without losing his history and the right to future allotments. This would eliminate the practice of planting merely to retain history for allotment purposes, which is now required.

In addition to these specific new authorizations to deal with the surplus problem—authority which the Secretary of Agriculture does not now have—there were other directives in the bill designed also to substantially improve the surplus situation. The Secretary of Agriculture was directed to make a study of proposals for disposing of surplus food commodities domestically through some kind of food-stamp plan. He was directed to report to Congress within 90 days on this important matter. He was directed to make a similar study and report on the matter of establishing strategic stockpiles of agricultural commodities both in the United States and abroad for use in the event of war or similar emergency. He was directed to use existing authority of the Commodity Credit Corporation to dispose of surpluses generally and long staple cotton specifically.

Third. The soil bank would not increase farm income—this year or any other. Because farmers would receive at the most only their anticipated net income from acres placed in the acreage reserve, their gross income would be substantially curtailed by participation in the soil bank. This would be reflected in sales of fertilizer, farm machinery, gasoline, and other supplies to farmers.

Fourth. The President refers to the problem created by the diversion into other crops of acreage removed from basic-commodity production by allotment programs. He has vetoed the bill which sought to do something about this serious problem by authorizing a program for feed grains and a more effective program for corn, but he has made no suggestion as to what he now proposes to do about this problem.

Fifth. The President says production would be stimulated by the support levels provided in H. R. 12. With the control programs in effect on all basic crops, it is difficult to follow his reasoning at this point. Production of the basic crops is regulated by acreage allotments—not by price levels. In this connection I must reiterate that H. R. 12 offers, for the first time, a program for actually reducing the production of feed grains—which is rapidly becoming one of our serious agricultural problems. In the absence of H. R. 12 there is no

such program for feed grains and production will run rampant and uncontrolled.

Sixth. The President devotes four paragraphs to a condemnation of dual parity and says that its establishment in H. R. 12 could “destroy the parity concept itself”. Strangely enough, dual parity has been in effect since enactment of the Agricultural Act of 1949 without destroying the parity concept. Modernized parity was recognized when it was adopted as inequitable to the basic commodities and requiring such a sharp drop in support prices as to be economically impossible. Dual parity was, therefore, provided in the Agricultural Act of 1949 and has been in operation every year since then except 1955.

Seventh. In condemning the provisions for feed grains in H. R. 12, the President says that these provisions would result in a shrinking market for feed grains—presumably because these grains would be supported at a somewhat higher price. It is difficult to follow the President's reasoning in this respect since the statistics of the Department of Agriculture show exactly to the contrary—that consumption of feed grains is at least as high and usually higher, when the price is higher. The reason for this is that the price of livestock is closely related to the price of feed and when livestock prices follow feed prices upward, livestock producers are more prosperous and can afford to buy more and better feed.

The following figures show the relationship I am talking about: In 1951 feed grains were 25 percent higher than they were in 1955, yet Department of Agriculture records show that livestock producers fed slightly more feed per animal unit in 1951 than they did in 1955. The same principle is exemplified in 1953. Then, feed grains were about 13 percent higher than 1955, yet consumption of feed was substantially above that estimated for 1955.

The price of livestock in those years also showed the relationship between feed grains and livestock. In 1951, with feed prices 25 percent above last year, hogs brought an average price for the year of \$20 and beef cattle brought an average price of \$28.70. Compare this with the livestock prices in 1955 with lower feed grain prices—the level of prices which the Secretary of Agriculture apparently finds desirable. In 1955—on an unweighted basis—hogs brought an average of \$15.50, and cattle only \$15.80.

Admittedly there is very little in H. R. 12 of direct benefit to livestock producers, but the vetoing of H. R. 12 and the carrying out of the kind of a program outlined by the President in his message will be one of the most serious blows the livestock industry has suffered for a long time. Every livestock producer knows that when feed prices are low and feed is in surplus livestock is plentiful and prices are cheap. With their heavy capital investment, it is far better for livestock producers to pay a reasonably high price for their feed with the assurance that they will receive a correspondingly higher price for their animals. The feed grain program espoused by the President, of low level supports on un-

limited production, is the worst possible news the livestock industry could hear. By increasing the support level on feed grains and at the same time requiring a 15 percent reduction in acreage, H. R. 12 would go a long way toward solving not only the feed grain problem but the financial difficulties of livestock producers.

Eighth. After devoting four paragraphs to the evils of dual parity, the President dismissed, in less than three lines of his message, the programs for rice and wheat which would put both those commodities on a sound world price basis and which have been worked out most carefully by the producers of those commodities after years of study. The rice industry has formally and almost unanimously requested the kind of program provided in H. R. 12. An important segment of the wheat industry has requested the wheat program and all wheat producers would have an opportunity to vote on it with a two-thirds majority required to put it into effect. Yet, the President says that neither rice growers nor the wheat farmers are to have this opportunity they have asked for.

Ninth. The President finds “certain provisions found in the section dealing with the dairy industry” objectionable, but he has approved supports for manufacturing milk and butterfat at precisely the levels estimated by H. R. 12. Apparently it makes a substantial difference whether prices are established by act of Congress or by action of the executive branch of the Government.

Tenth. The price level announced by the President for wheat is only 3 cents per bushel above the March 15 price and amounts to about 83.7 percent of parity.

Eleventh. The price level announced for corn is about 30 cents above the March 15 price and equivalent to about 86.2 percent of parity.

Twelfth. The price level announced for rice is only 4 cents above the March 15 price and equivalent to about 82.7 percent of parity.

Thirteenth. A separate support program for corn “not under acreage control” to be announced at an early date would hardly seem to be the kind of action to substantially discourage production of corn or greatly reduce the surplus problem. By contrast H. R. 12 has a realistic program for corn outside the commercial area.

There is too much good in the bill for the President to have vetoed it. But, he did veto it. I am not going to be too optimistic about overriding his veto. I know that he was exercising his constitutional rights and responsibilities. He had a perfect right to do what he did. Every Member of the House of Representatives has a perfect right to do what he did last Wednesday and we have the perfect right today to exercise freely our own judgment. But, it would seem to me, it would be very, very difficult for a man who represents farmers or consumers or the industrial centers to go back home and say, “I voted against the bill that would intensify and would increase the purchasing power of agriculture so that the farmers of the Nation

could purchase the things that industry produces."

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I am glad to yield to the gentleman.

Mr. McCORMACK. Did the administration make any major farm legislation recommendations last year?

Mr. COOLEY. I am glad my friend mentions that.

Mr. McCORMACK. Furthermore, will the gentleman give the history of the soil bank and what the attitude of the administration was last year.

Mr. COOLEY. Yes, I will. I appreciate the suggestion.

Before this Congress adjourned last session, I asked the Secretary of Agriculture and his associates if they had any more recommendations to make, and if any more legislation was needed. The answer was "No," but the farm situation continued to deteriorate.

Mr. Benson returned from Europe. The newspaper reporters met him at the airport and he gave out a statement to the effect, "Yes, we have some programs we are working on and the details will soon be around." Later, he flew out to Denver, and after a conference with the President, he came back. Again, he was met by the newsmen and he said, "Yes, we have a program." On October 31, I wired him and called attention to the fact that the House of Representatives by an appropriate resolution had authorized me to call our committee together at any time and at any place, and I was ready, willing, and anxious to call the committee together to receive such recommendations as he might desire to make. I told him then that time was important. We could have worked through October and November, but we received no recommendations.

When he replied to my telegram he said that the recommendations of the administration would come up in traditional fashion and would be presented to the Congress in January. January 9 arrived. The President sent up his agricultural message, but we received no executive communication from Mr. Benson transmitting a bill for our committee to consider. So we waited.

The Senate had started hearings. We did our work last session. We had other hearings this session. But when the President's message came with a nine-point program, there was not a new thought or a new suggestion in any 1 of the 9 points. All of them had been considered many times by Members of Congress and by the appropriate committees of Congress.

When Mr. Benson when he was freed from his appearances before the Senate committee, we asked him to come before our committee, and—after some delay—he appeared on February 21. But, even then, he had no bill. I said "Mr. Secretary, where is your bill?" He looked at his associates there with him, and they had no bill.

In the meantime two bills had been introduced. Neither of them contained his recommendations in full. So I asked him, "Will you please bring to this committee next Monday, the 27th, a bill

embracing all of the recommendations you have to make."

So late on the 27th of February—7 weeks to the day after the President's message—the Secretary finally sent up a bill. On the 28th of February I wrote him a letter, after having conferred with the 37-man Agriculture committee, and extended an invitation to him to come before our committee to discuss his bill. His reply was to the effect that because of his heavy schedule it would be impossible for him to appear before our committee for 2 weeks.

Two weeks we waited. What else could we do? We had heard the testimony of all the farm leaders and all the farmers and all of the other people who wanted to be heard. So finally, at the end of the third week, almost 3 weeks later, I wrote him another letter, and he then indicated that he was ready to come before the committee, but at that very moment the bill was ready to go to conference. Then I was faced with the proposition, should I delay the conference in order to hear Mr. Benson or should we proceed with the conference and let him submit his recommendations in writing. I decided to do the latter.

I want to comment on this conference; I have been in many conferences but I have never attended any conference like this. We extended to Mr. Benson and all of his associates an opportunity to give us the full benefit of their views and their technical advice and assistance in drafting as good a bill as we could draft. We did not have a single meeting that was not attended by officials of the Department of Agriculture. We had from 7 to 9 people there—the legal branch and the administrative branch—and they participated in our discussion. If there ever has been an open conference that was it. After every meeting the public was fully advised about the progress that had been made. I do not like the idea of having Members of Congress blamed for delaying unduly this very important measure.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. The gentleman has not, I believe, discussed the history of this soil bank. Is it not a fact that a year ago this last February two bills were introduced in our committee, one by a Republican and one by a Democrat embracing a soil bank very similar to that the President now supports? That you as chairman of our committee asked the Secretary for suggestions in regard to those bills, and in July of last year he said the bills were unworkable?

Mr. COOLEY. That is right; the gentleman is entirely correct. I do not believe the farmers of this country have any doubt about the origin of the plan. The original bills were introduced by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] on the Republican side and FRED MARSHALL, another distinguished Member of Congress, on the Democratic side.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. H. CARL ANDERSEN. The gentleman from Minnesota [Mr. MARSHALL] and I personally introduced this bill for a soil bank on February 2, 1954. A week prior to that Mr. Benson, as will be evidenced by our hearings, informed us that in his opinion the general principle was unworkable.

Mr. COOLEY. At the gentleman's request, I sent that bill, along with FRED MARSHALL's bill, to the Department for an official report. They kept the two bills from February until July 27, and on July 27, after a committee in the Department had studied the proposition, they wrote me a letter rejecting the bill, and said this:

The Department recommends against the enactment of this bill.

And the letter goes on with a long report telling me why the soil-bank bill could not be made to work.

But between July and January the soil-bank idea—which was born when Mr. ANDERSEN and Mr. MARSHALL introduced their bills—the soil-bank idea grew in popularity and became on January 9 the administration's farm program.

I said to begin with, and I want to repeat right now, that I believe the President now has all the authority he needs to deal with all of the problems of the soil of America. All he needs is money. I challenged the Department representatives in the committee room and I said:

Mr. Benson, tell me what authority you want and need that you do not now have.

He looked at his associates, and at his attorney, and we had no answer.

He has broad and comprehensive authority to deal with all the problems of the soil. I would like to read them to you but time will not permit me to do so, so I will insert in the RECORD at this point the relevant parts of sections 1, 7 (a) and 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended:

SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

An act to provide for the protection of land resources against soil erosion, and for other purposes

Be it enacted, etc., That it is hereby recognized that the wastage of soil and moisture resources on farm, grazing, and forest lands of the Nation, resulting from soil erosion, is a menace to the national welfare and that it is hereby declared to be the policy of Congress to provide permanently for the control and prevention of soil erosion and thereby to preserve natural resources, control floods, prevent impairment of reservoirs, and maintain the navigability of rivers and harbors, protect public health, public lands and relieve unemployment, and the Secretary of Agriculture, from now on, shall coordinate and direct all activities with relation to soil erosion and in order to effectuate this policy is hereby authorized, from time to time—

(1) To conduct surveys, investigations, and research relating to the character of soil erosion and the preventive measures needed, to publish the results of any such surveys, investigations, or research, to disseminate information concerning such methods, and to conduct demonstrational projects in areas subject to erosion by wind or water;

(2) To carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land;

(3) To cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he may deem necessary, for the purposes of this act; and

(4) To acquire lands, or rights or interests therein, by purchase, gift, condemnation, or otherwise, whenever necessary for the purposes of this act. (16 U. S. C. 590a.)

AGRICULTURAL CONSERVATION POLICY AND ENUMERATION OF PURPOSES

SEC. 7. (a) It is hereby declared to be the policy of this act also to secure, and the purposes of this act shall also include, (1) preservation and improvement of soil fertility; (2) promotion of the economic use and conservation of land; (3) diminution of exploitation and wasteful and unscientific use of national soil resources; (4) the protection of rivers and harbors against the results of soil erosion in aid of maintaining the navigability of waters and water courses and in aid of flood control; and (5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio. The powers conferred under sections 7 to 14 inclusive, of this act shall be used to assist voluntary action calculated to effectuate the purposes specified in this section. Such powers shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities.

BASIS FOR PAYMENTS AND GRANTS OF AID; LOCAL, COUNTY, AND STATE COMMITTEES; CONSERVATION MATERIALS AND SERVICES

(b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or (5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be construed to cover water conservation and the beneficial use of water

on individual farms, including measures to prevent runoff, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the services of local and State committees selected as hereinafter provided. The Secretary shall designate local administrative areas as units for administration of programs under this section. No such local area shall include more than one county or parts of different counties. * * * The Secretary shall make such regulations as are necessary relating to the selection and exercise of the functions of the respective committees, and to the administration, through such committees, of such programs. In carrying out the provisions of this section, the Secretary—shall, as far as practicable, protect the interests of tenants and sharecroppers; is authorized to utilize the agricultural extension service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases: (a) Soil-depleting crops and practices, (b) soil-building crops and practices.

Notwithstanding any other provision of law, in making available conservation materials consisting of seeds, seed inoculants, fertilizers, liming and other soil-conditioning materials, trees, or plants, or in making available soil-conserving or soil-building services, to agricultural producers under this subsection, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or covering soil-conserving or soil-building services, furnished to producers, or who render services to the Secretary in delivering to producers approved conservation materials, for the carrying out, by the producers, of soil-building or soil-conserving practices approved by the Secretary. The price at which purchase orders for any conservation materials or services are filled may be limited to a fair price fixed in accordance with regulations prescribed by the Secretary.

Appropriations are hereby authorized for the purchase in advance of the program year for which the appropriation is made of seeds, fertilizers, lime, trees, or any other farming materials or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary in programs under this act; for the reimbursement of any Federal, State, or local government agency for fertilizers, seeds, lime, trees, or other farming materials, or any soil-terracing services, furnished by such agency; and for the payment of all expenses necessary in making such grants, including all or part of the costs incident to the delivery thereof (16 U. S. C. 590h (b)).

There is the broad authority. We have had a soil bank, I know, since 1934. In 1934 we spent \$637 million on a soil bank.

Under the authority of these provisions of law, the Department of Agriculture has carried out numerous programs of similar nature to the present soil-bank proposal. One of these was described by the Secretary to the House Agricultural Committee in the following words in March 1955:

Acreage allotment payments under the agricultural conservation program. These so-called class I or acreage allotment payments, under section 8 (b) of the act of February 29, 1936, the Soil Conservation and Domestic Allotment Act, as amended, were aimed at maintaining farm production in balance with demand. This was carried out by the establishment of individual farm acreage allotments of soil-depleting crops representing proportionate shares of national production goals. The acreage allotment payments compensated farmers, in part, for making their proportionate acreage adjustments. This item excludes the so-called class II payments for conservation practices which are shown on the statement under the function headed "Programs Primarily for Conservation of Resources." The cost of these acreage allotment payments, which were made in the period 1937 through 1944, amounted to \$2,354.8 million.

Year after year this Congress, with votes on both sides of the aisle, has given to Mr. Benson tens of millions of dollars more than he has asked us to give him. He asked for \$175 million for the ACP program and we gave him \$250 million. All of a sudden he comes up and he wants \$1,200,000,000. I am willing for him to have that. But I want the record to show that Congress has not only given Mr. Benson more money than he has requested for soil conservation programs but that he has not used all we did give him. In the past 4 years he has failed to use more than \$100 million of the funds Congress has appropriated for this important purpose.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Is it not a fact that a few years ago he was here with the recommendation and making an effort to cut down the very program from \$250 million to \$150 million?

Mr. COOLEY. Yes, the gentleman is correct; but the Congress refused to do that because we have appreciated the value of the soil program.

I remember when I first came to Congress the great speech made by that distinguished statesman, Mr. Fred Vinson, the beloved Kentuckian. He talked about the value of the topsoil of America. We have year after year spent millions of dollars and I am willing now for Mr. Benson to improve the soil, to have a soil bank, but I am not inclined to go into the committee room and to write a bill to duplicate authority he now has. He does not have authority to make 10-year contracts. There may be a few minor things that we need to do. But the basic law is there and I challenge any lawyer in this House to read the law and tell me that my statement is inaccurate.

Let us face up to the situation. Perhaps I am not going to persuade anybody to change his mind. But let us think about our own responsibilities. The President has exercised his responsibility. Every Member of this House was elected from a great congressional district and each of us must share and bear our own responsibility. We are facing a tragic situation in the constant decline of farm income.

The President recognized that, the President said that, and I want to quote one thing and then I think I will stop. In his message to Congress on January 9, he made a statement, and these are very significant words because Mr. Benson has never used them but once and that was in the city of Paris. He never made a speech like this here. Here is what Mr. Eisenhower said:

Today's surpluses consist of commodities produced in a volume imperatively needed in wartime.

That we know to be the truth. Why are we so greatly disturbed that we have a surplus here which has been accumulated because of programs we had in operation at a time when the men of America were on the ramparts of freedom throughout this world and bleeding and dying in behalf of the institutions of freedom.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. POAGE].

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. MARTIN. Inasmuch as we are going to have an extended debate, I wonder if the gentleman is reserving any time for this side?

Mr. COOLEY. I conferred with the former chairman and ranking minority member of our committee and he indicated he would like to have some time. If the gentleman from Massachusetts desires to speak, of course, I shall yield him time.

Mr. MARTIN. The gentleman from Indiana [Mr. HALLECK] would like to have some time today.

Mr. COOLEY. I will be as generous as circumstances permit.

Mr. MARTIN. That is an old story. How much time is the gentleman going to give us?

Mr. COOLEY. How much time does the gentleman from Indiana want?

Mr. HALLECK. At least 10 minutes.

Mr. MARTIN. We might take the other 20 minutes, too.

Mr. COOLEY. I cannot be that generous. I will give the gentleman 10 minutes and then see where we stand. I will yield him 10 minutes after the gentleman from Texas [Mr. POAGE] speaks.

Mr. POAGE. Mr. Speaker, certain questions have arisen in connection with this veto on which there seem to be considerable misunderstanding. In the first place, I think there is a complete misunderstanding on the part of the President as well as on the part of others as to just how we affect the production of

agricultural commodities by price. The President seems to indicate that all of our troubles from an agricultural standpoint have come from what he calls "high, rigid" price supports. I think the fallacy of the President's position is perfectly clear. He simply does not understand just how a farmer must operate. The President says "Why would a farmer plant more if he knew the price were going down?" I think that is a fair question, and I think it deserves a fair answer. Farmers are just like other people. They do the best they can for their loved ones, just as city people do. Suppose you were a cotton farmer or a wheat farmer. Last year the price of cotton was 31 cents a pound or \$160 a bale. Suppose you grew 10 bales of cotton. You would have a gross of \$1,600 from your farm. Suppose you learned in some manner that the price next year was going to be just half that or \$80 a bale. What would be your reaction? The President assumes that you would immediately cut your cotton production. Of course, he assumes you would go into something more profitable, and that would be fine except for two things. In the first place, the price of all crops is depressed. There is no profitable alternative you can go into. In the second place, as a cotton grower, you doubtless live in a one-crop area. So does the wheat grower, and so does the tobacco grower; so do all of those who grow these basic commodities. That is the reason we call them basic commodities, because they are basic to the community in which they are grown. The man who grows peanuts, although it does not amount to a great deal in the total of the Nation, is dependent upon that peanut crop, and to him peanuts are just as basic as the corn crop or the wheat crop or the cotton crop. So it is with the producers of all of these commodities. They are each basic where grown, and there is no opportunity for the farmer to turn to something else. His only recourse, to maintain the living standards of himself and family, is to grow more, not less, cotton or wheat. And, that is exactly what the farmers will do. It is what they have always done. We grew our largest cotton crop when we had a price support of 52 percent of parity.

According to General Eisenhower, we should have been importing cotton that year, but we grew over 19 million bales at 52 percent of parity. It is the failure to understand this simple economic fact which has caused so many of our people to be critical of 90 percent supports. It has been a misunderstanding that has caused so many people to make the mistake the President has made and to charge that the so-called high rigid supports have caused an accumulation of vast surpluses at a great loss to the Nation. Of course, 90 percent supports are not high and they are not rigid. They are only nine-tenths of a fair price. Would a labor union take nine-tenths of a fair wage? Would the Bell Telephone Co. accept a rate that returned only nine-tenths of a fair return? These support prices are not rigid because they are tied to parity and parity itself goes up and down; up, only if the farmer's

costs have increased and down any time the farmer's costs come down.

But let us look at the record; I shall quote to you from Secretary Benson's own record, his printed record of January 31, 1956. That shows that on that date our total losses on all 6 of the basic commodities were only \$522 million. This incidentally compares with a net profit on those 6 commodities of over \$13 million the day General Eisenhower took office. Up until that same day we had lost about \$120 million on milk and milk products in about 20 years. But as of last January our losses on milk and milk products alone stood at \$958 million and the support on milk and milk products has been flexible every day of that time.

That is not a loss on high, rigid supports. That is a billion-dollar loss on a flexible commodity, more than \$800 million of it occurring under President Eisenhower.

I want to take the few remaining moments that I have to call attention to what I think is an extremely important matter, in regard to the provision of this bill that the President vetoed. I refer to the control of production of feed grains. For the first time in history this Congress has given the country a bill that automatically provides for a reduction in the production of feed and feed grains. That bill, which he criticizes, has in it in plain language a provision—and it is the first time we have had it—that, in order to get supports, the growers of corn and of feed grains all over the United States must make a reduction in their production, and we offered to pay enough to encourage such a reduction.

Surely, corn has had acreage allotments for years, but never has it been subject to the marketing quotas imposed on cotton and wheat, and never has corn production been effectively controlled. In this bill we have said that if you are going to get 90 percent supports you have got to take a certain percentage of your land out and put it into the soil bank. We have said to the grain-sorghum man in Texas and in Kansas and in the Southwest area, if you are going to get the supports that we offer, you have got to reduce your acreage by 15 percent. But the President has vetoed that provision and comes back and proposes to pay those people a support price of 86 percent on corn with no effective control. He has also vetoed the requirement that the grower of feed grains must cut his acreage. He has reduced the income of the grain grower but he has, at the same time, greatly increased the flood of cheap feed which is about to drown us.

How are you going to save the great livestock industry? You cannot do it by simply going out and knocking calves in the head and chloroforming little pigs. I know and you know that we did not have 10-cent pork when we had high-priced feed grains. You have never had cheap pork, you have never had cheap beef when you had a fair price for feed. Cheap feed always brings cheap hogs. Cheap feed brings cheap cattle. The only way you are going to help the livestock industry and raise it out of the

doldrums in which it now flounders is to give us some kind of restrictions on the ever-increasing production of feed. And yet the President vetoes the only hope that this Nation has ever had to restrict in any way, in any orderly manner, our production of feed.

We came in here with a carefully worked out bill, one that kept the relationship between corn and the other feed grains fair and equitable; a bill which we had worked out in cooperation with the Department of Agriculture, because we did not just sit there in conference and draw figures out of the air. In that conference committee we had the experts from the Department of Agriculture with us to see that we kept the proper ratios between corn and other grains. We provided that the acreages of these feed crops must be reduced. That is the only way you are going to solve this great problem of too much corn, this problem of too many hogs, this problem of too much lard, of too cheap pork, and help the bankrupt farmer in Iowa and the cowman in New Mexico.

We offered you and we offer you today an opportunity to put shoes on the children throughout that great area of the United States. We offer you an opportunity to put carpets on the floors of the homes throughout the great breadbasket of America. Are you over here on my left going to say that you are so carried away with the agricultural knowledge of a great general, who never farmed a day in his life, that you are going to substitute his judgment for the judgment that you yourselves passed here just 1 week ago today? I assume that you acted in good faith and in good conscience then. I assume that you were correct when you told your constituents, 45 of you told your constituents, that you believed that you were passing a good bill for them then. Let us see how you vote today.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I certainly want to thank my colleague from North Carolina. Some of us had thought originally that, as he said at the outset, possibly about everything possible had been said on this matter, and there was some idea that possibly he would state the majority position and we would let it go at that. But since that route was not followed, then I think some of the things that have been said need to be clarified.

First of all, let me say this, and there is no one here to deny it: We have in Dwight D. Eisenhower a President of the United States who is respected and admired certainly as much if not more than any President in my time.

There is another thing that ought to be understood on both sides of the aisle, because I have heard many protestations since he took office that the right-hand, Democratic, side of the aisle supports the President better than we support him on our Republican side of the aisle. We are about to find out about that. So I am not at all sorry about

this vote coming along on this issue or that there has been some debate.

Actually, as to any suggestion that the President does not know what is in this bill or the action that he took on the veto, I say to you people I have sat in conferences with him and he does know. I know what I am talking about, and I must say some of the rest of you do not know what you are talking about in that regard.

I have been here nearly 22 years. I will say again for President Eisenhower that he has shown more respect for constitutional processes, yes, more respect for legislative prerogatives and responsibilities, than any President we have had for a long time. We have seen evidences of that time and time again.

I listened as always with interest to the gentleman from North Carolina, and I must say if I ever heard him make a defensive speech that was it. He is trying to explain away the delay. It would seem as I listened to him that he waits upon the administration to write the legislation but then after the administration makes suggestions, why, such suggestions are not to be heeded or followed in connection with the legislation. I do not believe you can blow hot and cold on that.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I will yield if the gentleman will give me a few more minutes.

Mr. COOLEY. I have only a minute, but I would like to make one statement.

The SPEAKER. Whether the gentleman from Indiana yields is in his hands, not in the hands of someone else. That is his business.

Mr. COOLEY. Even up to this hour Mr. Benson has not asked for the \$1,200,000,000 that he wants.

Mr. HALLECK. I assume from that the gentleman means the appropriation?

Mr. COOLEY. That is right.

Mr. HALLECK. I disagree with the gentleman from North Carolina as to the statutory authority now existing in the law. I think that legislation is needed. May I say this. If you are the fathers of the soil bank plan, why did you disavow it? Why do you not get busy and bring out a soil bank plan which we know will be legal and right. The country is going to watch to see what you do about that part of the program in which we are all so interested. As a matter of fact, the Republican 80th Congress did not get much help from downtown, but we wrote a farm bill, a tax bill, and the Taft-Hartley bill. We accepted our responsibility as legislators. We went ahead and wrote what we felt we should write. You passed a bobtailed farm bill last summer with 90 percent supports in it and the milk program and the brucellosis program. If you wanted a soil bank then, why did you not put it in your bill? If you wanted a two-price system on wheat, why did you not put it in the bill? If you wanted supports, why did you not put them in the bill? If you wanted dual parity, why did you not put it in the bill? It took you a long time to find out, apparently, what you wanted. Actually, that bill proposed in the other body all last fall.

The President's proposal came here in January 9th. That was the nine point program. You knew then what the administration wanted, and you cannot explain the fact that more than 3 months elapsed from January 9 until the President got the bill on his desk. I know—I saw it quoted in the paper—my very dear friend, the gentleman from Texas [Mr. POAGE] who is now so concerned about the farmer getting some money this summer—he was the one, if he was quoted correctly, who wanted to see to it that none of the money went to the farmers before November. I do not accuse anyone of playing politics, but I must say at times it looks to me as though there has been some pretty rank delay. Now, then, I do not know whether I understood the gentleman from North Carolina correctly or not, but if I did, I must say I have never been shocked by any statement as I was just a few moments ago when he said that the farm program is paramount to the program of peace and the problem of peace. I just do not believe that. I think the farmers of this country want this Nation kept at peace. I do not think they want their price problems solved by getting into another war. Certainly, this farm problem has been building up and all of us have been trying to do something about it. Certainly, we ought to do something about it. When you came in with this conference report, we pointed out to you that there were things in it which were completely unacceptable and which were objectionable, and we devised a motion to recommit not to take out all of the things that were objectionable, but to get them down to a bare minimum. You were told that if you did not vote for that motion to recommit, the bill would be vetoed. Then what did you do? You chose to charge headlong into a situation which you knew could not prevail. I predict right here and now that there will be a majority of Representatives who will vote to sustain the President's veto here in just a few minutes. May I say to my friends who voted for the conference report that at that time I said in debate that if the motion to recommit did not prevail, you would go back to existing law which was 75 percent, and wheat would be supported at \$1.73 and likewise corn would be supported at a lesser figure. Now with reference to this matter of voting to sustain the veto. What happened? The President has moved administratively, if we had not abdicated our responsibility and authority in that regard. So the President has said that the support price on wheat will be \$2 and that the support price on corn will be \$1.50 and on rice \$4.50. Tobacco will be supported as it is presently, and milk will be \$3.25 a hundredweight and butterfat 58.6 cents. So now you have that part of it—the very thing we tried to do to clean up the bill when we had the motion to recommit. But, as I say, you would not pay any attention to our efforts then.

The President has moved administratively to improve the farm condition, and it is improving. I sold my corn the other day for \$1.30. I should have held on to it. I sold my soybeans for \$2.23, and they hit \$2.86. That is away above

parity. Hogs came back to \$16. We will work this thing out if you will just help.

Now, certainly for anyone who voted for the conference report there is no inconsistency in voting to sustain the veto today. I have here the editorial comment from daily papers in my own State of Indiana. All of them call this bill a monstrosity or something worse. The United Press took a poll of farmers in Indiana. Overwhelmingly they said the President ought to veto the bill.

I have a clipping from the newswire, quoting Governor Lausche, of Ohio:

Gov. Frank J. Lausche says it would have been shameful for President Eisenhower to have signed the farm bill.

Further:

The President would have compromised everything noble he has stood for all of his life if he had signed the bill, which was a bad bill—

The Democratic Governor said in an interview.

Lausche said if the President had signed the bill "he would have put himself in the role of just another common politician."

The Governor said that "the legislators in Congress put everything they could in that bill to get a few votes."

Lausche said that if he had been faced with the issue of signing the bill, "I would have vetoed it quicker than the President did."

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. No. If the gentleman differs with his Governor, and that is entirely possible, perhaps the gentleman from North Carolina will give him some time, but I cannot yield.

Now, here we are. The question is, Are we going to stand by what we believe is right? I know that there are Members here whose standing with me has always been high however they voted, and it always will be high. Personally, I do not charge any single Member with any lack of courage or any playing of politics. I think there can be honest differences of opinion about what is best for the country, and I respect those differences. But I know from talking with the greatest farm leaders in the country and by conversations I have had with the dirt farmers who realize we have to make some adjustments in the transition from war to peace—I know that this bill as it went to the President was not good for the farmers, and if it was not good for the farmers it could not be good for the country, and the veto should be sustained overwhelmingly.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I am sure that everyone who has had anything to do with agriculture in the House knows that I have been a strong supporter of the soil bank plan for more than 3 years. I was a supporter of this measure long before the Department of Agriculture had ever given it any consideration.

Melvin Gehlbach of Lincoln, Ill., a constituent of mine, was the originator of the soil bank plan. Members of the House Committee on Agriculture will recall that Mr. Gehlbach was the first

person ever to testify before that committee about the soil bank. That testimony was first rendered in June of 1953 before the subcommittee which was having grassroots hearings at Bloomington, Ill. Ever since that day, the soil bank has been growing in the estimation of the thinkers on agriculture in this body. Eight months later, early in 1954, two bills—one by Mr. MARSHALL and another by Mr. H. CARL ANDERSEN, both of Minnesota—were introduced in the House. I supported both of those bills.

I supported the present bill under consideration when it was before the House on a conference report, a week ago. I supported this legislation because I believed that the soil bank plan was the heart of that bill. The soil bank is the only plan or suggestion in the 6 years I have been in this Congress which I felt would have a real impact on agricultural surpluses in the country. This plan is an incentive method to the farmer of reducing acreage. Reduction in acreage is the only solution I can see whereby we can get a reduction in overall supply.

For the last hour I have been hearing a great deal of discussion on both sides of this bill. It seems to me too much of what has been said is essentially destructive. In these 2 minutes, I hope I can lend something constructive to this discussion.

I do not believe there is a colleague sitting in this House now who believes that the President's veto will be overridden. I voted for the bill on last Wednesday. To be consistent, I shall vote for the bill today. However, I do believe now we should begin to think where we are when this vote is finished.

The soil-bank plan is supported by 9 out of each 10 Members on both sides of the aisle. This part of the farm bill has almost unanimous support. We should begin immediately to take the heart of the present bill, the soil-bank plan, and pass it as separate legislation.

I am not interested in credit. I will be perfectly willing to yield credit to anyone in either party who will help get this needed legislation passed.

I was somewhat disappointed when my colleague, the chairman of this great committee, a few minutes ago said he believed the Secretary of Agriculture had all of the authority he needed to put a soil-bank plan into operation. I believe I am somewhat familiar with most of the legislation on farm problems. In my opinion, no country lawyer after reading all of the legislation having to do with this problem would render a decision that the Secretary of Agriculture has the authority to put into effect the kind of a soil bank which is contained in the bill under discussion. The Secretary must have the additional legislation contained in this bill or similar legislation in order to get the soil bank started.

Therefore, I hope that partisan feelings will not enter too much into further consideration of this important problem. It is true it is too late to implement the soil-bank plan in 1956. However, unless we pass such a plan this year, we cannot

have it ready in time to be of assistance in 1957. This surplus problem will be with us unless we put into operation this or similar legislation. And, Mr. Chairman, I hope you will use all of your influences with the great Committee on Agriculture to get out a bill covering the soil-bank plan only on which this House can vote in 1956. I am sure you know as well as I do that such a plan would pass this House overwhelmingly.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, my distinguished colleague from Indiana [Mr. HALLECK] made a few points in his speech to which I think some reply ought to be made.

He stated that the Democrats claim credit for giving the President better support than the Republicans do. I might say that on this issue Democrats have given the President better support than have Republicans, more especially if you gage the support by our effort to help the President carry out his galloping campaign promises of 4 years ago.

In 1952, Candidate Eisenhower outbid the Democrats for the farm vote when he promised farmers 100 percent of parity. The 90-percent bid he made at Brookings, S. Dak., turned out to be not good enough for him. He upped it to 100 percent and took the farm issue right out of the campaign.

Here at least we have gone as far as we could to help the President carry out his campaign promises and at the same time stand by our own, but our good friend the gentleman from Indiana [Mr. HALLECK], along with most of his Republican colleagues, have done just to the contrary. They have ignored and forgotten those promises. Unfortunately, so has the President.

The gentleman from Indiana [Mr. HALLECK] indicated that the 80th Republican Congress did not get much help from the White House and the downtown departments. Well, they were not entitled to much. With Democrats not being responsible in the least for the results, the Republican 80th Congress wrote a record that immediately helped Republicans out of office at the next election. They committed suicide. Had Democrats downtown joined in, the coroner's verdict, instead of being "suicide," would have read "Murder at the hands of Democrats."

Our distinguished friend from Indiana also defended the President in his criticism of the Congress for failing to do legislatively what he, the President, is now doing administratively. Well, of all things. The President is a grown man; so is the gentleman from Indiana. Had it been possible to do these things administratively, why did he and Benson announce last early winter that they would have a new farm program ready for this session of the Congress? Why do they fuss about all of the so-called delay? Why didn't Mr. Eisenhower, who seemingly can do no wrong, make no mistakes and commit no error—why didn't he then and there take the administrative action? Why did he send a farm message to us on January 9? What

has he and Secretary Benson been waiting on all this time?

He referred also to a statement issued by Governor Lausche, of Ohio, in which Lausche supports the veto. He said Mr. Lausche is a Democrat. I do not know; I have never seen Mr. Lausche. I have heard of him, and the statement which is accredited to him is not the first Republican utterance the Governor is said to have made. May I also point out that the distinguished gentleman from Indiana very carefully avoided making reference to three distinguished Republican governors from Iowa, South Dakota, and Kansas, respectively, who made a flying night ride to Washington and appealed to the President to sign the bill. They thought it was all right. And they thought enough of it to come to Washington so as to make a personal appeal in support of it. If we are to measure the correctness and merits of the bill by governors who have crossed party lines, the score is 3 to 1 in favor of the bill.

One other point. The gentleman indicated that he should have held his corn. He certainly should have. And measured by the action announced in the President's veto message, he might have done well to have held it until just before election. The President may have had the urge, acting administratively, to give corn supports another raise. It would have vote appeal, you know.

In the veto message the President announced several increases in price supports—wheat, corn, rice, manufacturing milk, and butter.

Could it be that the administration is playing a little politics? Could it be that the raises, coming after the support prices were already announced, constitute just a little political bait for the November election? I am making no charges. But it is exceeding strange that Mr. Eisenhower and Mr. Benson waited until this late date to raise these support prices. The timing seems to be unusually coincidental with the unpopular veto.

This administration had announced the support price on wheat at \$1.81 per bushel, or 76 percent of parity. That was for this year, 1956; but when he sent the veto he sent along with it another bid for the wheat vote, or was it a bid? I just cannot help but feel that they became alarmed over their first announced support price of 76 percent of parity on wheat and decided the results might be fatal. Seeing the difficulty confronting them, they announced a new support price for wheat—\$2 per bushel, or almost 84 percent of parity, a raise of 8 percent.

Could it be that the administration was concerned about the vote in the Wheat Belt? Why did they not stick by their guns, by their first announced support price of 76 percent of parity? Could it be that this was to temper the disappointment that would come to wheat farmers for knocking them out of 90 percent of parity and also burying the two-price program for which they and the National Grange have fought so long?

The administration had also previously set the price support on corn at 81 percent of parity. For 1956 corn. When the veto message came over, they

tinkered with corn supports, too. I will not say absolutely they were playing politics with the Corn Belt, but it is rather strange they would fix the price, as they did some time ago, on 1956 corn at 81 percent of parity and then on vetoing the farm bill announce that corn support was going to be raised to 82.7 percent of parity. Why was this announcement tied in with the veto message? Could it be because that the Republican Governor of Iowa had told Eisenhower what the political consequences would be if he vetoed the farm bill and failed to up the price support on corn? You know Iowa is a corn State. And you know there is talk of a political upheaval out there among the corn farmers. Why did not Eisenhower and Benson fix the price support on corn at 82.7 percent of parity in the beginning? Now I am not saying all of this is political, however, it looks mighty, mighty suspicious. But, of course, we are told Ike would not think of playing politics, oh, no, not at all. He is much too big for that.

Could it be that the administration after it had set the price support for 1956 on manufacturing milk became concerned about the political situation in the Dairy Belt? I am not making the charge, just throwing out the inquiry. Eisenhower and Benson had set the 1956 price support on manufacturing milk at 82 percent of parity, but when the veto message came over they raised it to 84 percent of parity. They had set the 1956 price support for butter at 78 percent of parity but when the veto message was sent over they announced that it would be raised to 81 percent of parity.

I just do not understand this sort of administrative action. Furthermore, the timing of the raises makes me rather suspicious. We all know that wheat, corn, manufacturing milk and butterfat are the substantial farm products of the Midwest and upper Midwest. We also know that some political primaries have just been held out there and that they indicate an upheaval among farmers against the administration's program. We also know that these farmers are unhappy with the original levels at which the administration set the price supports. We also know that many midwestern Republican Senators and Representatives voted for the farm bill and urged the President to sign it. We also know that 3 Republican governors from the Midwest flew into Washington and made a similar appeal to the President. Now, I ask in all seriousness, how does it happen that the increases in price supports for this particular section of the country are simultaneously announced along with and as a part of the veto message. Never before have I heard of support prices being announced by way of a veto message. They usually come directly from the office of the Secretary of Agriculture.

Is all of this political? Be your own judge.

There were two notable exceptions to this sudden increase in price supports—cotton and peanuts. Where are they grown? They are grown down in the deep South, where there are very few Republicans, thank goodness. They did

nothing for cotton. Cotton farmers were written off. They did nothing for peanuts. The peanut farmers were written off. But they did not write off the Wheat Belt, they gave them a raise. They did not write off the Corn Belt, they gave them a raise. They did not write off the Dairy Belt, they gave them a raise. And although Mr. Benson had sent a letter to a Member of the other body—in an effort, I must say, to persuade Cotton Belt Senators to support his policies in which he indicated to them he would support cotton at about 87 percent of parity, yesterday he announced the support price for cotton at only 82½ percent of parity. But this in keeping with Republican failures to go through with their promises.

Also, it is very strange indeed that this administration has waited until such a late date—later than ever before—to announce the price support on cotton. Could it be that this was intended to put a squeeze on Senators and Representatives from the deep South?

Action of the administration is a bold, barefaced discrimination against cotton. They fix price supports on wheat, corn, manufacturing milk and butter. Then when the heat is on they raise the support levels. They withhold the announcement of price support on cotton but indicate that it may be around 87 percent. Then after the fight is over they beat us over the head with the lowest support of all—82½ percent. Such discrimination I have never seen.

And for the poor lowly peanut, another crop of the deep South, they have made no announcement at all.

I just wonder what cotton and peanuts would be supported at if they were produced in the Midwest, the center of the farm revolt.

We will let the people look at the record and determine for themselves who is playing politics and where it is being played. You may think you can appease farmers of the Midwest with this slight increase in support prices. Come November you will get the verdict. It will then be the turn of my Republican friends to weep.

The discrimination of which this administration is guilty against southern cotton and peanut farmers will be felt in every Southern farm home. It will be difficult for us to bear. Already the southern cotton farmer is living in a depression. His acreage has been cut back and back and back. Now his price is to be cut and the cut is even deeper than that administered to other major commodities such as wheat, corn and milk.

But southerners have lived through other discriminations practised against them by the Republican Party. We will make it through this, too. The going will be tough but we will make it.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COOLEY. Mr. Speaker, I yield one-half minute to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, perhaps I should say this about the great golfing Governor of Ohio who reputedly shoots a lower score than the President

and who has through his opposition to adequate financing tried to ruin the school system of Ohio and who in his tenure as Governor has permitted Ohio's highways to deteriorate until they are among the worst in the Nation. Knowing him as I do, perhaps I should say in my opinion, he would have kicked the farmers of the Nation in the teeth before he teed off on the first hole; he wouldn't have waited to have a conference in the golf shop on the ninth hole.

Mr. COOLEY. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, I did not intend to say anything further but the gentleman from Indiana made some reference to certain observations of mine and I did not desire to interrupt him at that time. I want to make perfectly clear what I said a moment ago when I stated that the problems of agriculture were paramount to the problem of peace. I meant by that, and I thought everyone understood, that we are living in a very hungry world. We are complaining here in this country about the problem of plenty. Regardless of what party is directing the destinies of this Nation, we must learn something about the art of distribution. We cannot hope to live long at peace in a world that is as hungry as are many parts of the world in which we live.

I want to conclude on this price support matter by saying that it seems to me the differences now involved are more or less inconsequential in view of the magnitude of the problem with which we are dealing. The fact remains that all of this talk about price supports has been going on for the last 3 years. Even now for last year's crop 3 of the 6 basic commodities are supported at 90 percent of parity.

With reference to sugar—and there is not a pound of sugar produced in North Carolina or in my district—it is being supported by this administration at more than 98 percent of parity. Wool is being supported at 106 percent of parity. Both of these commodities are raised in Utah, Colorado, and other places out there. I am not saying that Mr. Benson's views are governed or influenced by geography, but the fact is that sugar is used in the households of America and it does not have to be supported at 98 percent of parity, yet it is. He has not advocated lowering the sugar support price. He can lower it overnight just by administrative order.

So when we sum up all this talk about price supports, it seems to me that he has not been practicing what he has been preaching for the last 3 years.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The question was taken; and there were—yeas 202, nays 211, not voting 20, as follows:

[Roll No. 27]

YEAS—202

Abbott	Fountain
Abernethy	Frazier
Addonizio	Garmatz
Albert	Gathings
Alexander	George
Andersen,	Gordon
H. Carl	Granahan
Andrews	Grant
Anfuso	Gray
Ashmore	Green, Oreg.
Aspinall	Gregory
Avery	Griffiths
Barden	Gross
Barrett	Hardy
Bass, Tenn.	Harris
Belcher	Hays, Ark.
Bell	Hays, Ohio
Bennett, Fla.	Hayworth
Berry	Hoeven
Blitch	Hollifield
Boggs	Holland
Bolling	Hope
Bonner	Huddleston
Bowler	Hull
Brooks, La.	Ikard
Brooks, Tex.	Jarman
Brown, Ga.	Jennings
Buckley	Jensen
Burdick	Johnson, Wis.
Burleson	Jones, Ala.
Byrd	Jones, Mo.
Byrne, Pa.	Jones, N. C.
Cannon	Karsten
Carlyle	Kee
Carnahan	Kelley, Pa.
Celler	Keogh
Chatham	Kilgore
Chelf	King, Calif.
Christopher	Kirwan
Chudoff	Klein
Colmer	Kluczynski
Cooley	Knutson
Cooper	Krueger
Davidson	Landrum
Davis, Ga.	Lanham
Davis, Tenn.	Lankford
Dawson, Ill.	LeCompte
Deane	Lesinski
Dempsey	Long
Denton	Lovre
Dies	McCarthy
Diggs	McCormack
Dingell	McDowell
Dollinger	McMillan
Dolliver	Machrowicz
Dorn, S. C.	Mack, Ill.
Dowdy	Madden
Doyle	Magnuson
Durham	Mahon
Eberhart	Marshall
Edmondson	Matthews
Elliott	Metcalf
Evins	Miller, Calif.
Feighan	Mills
Fisher	Morrison
Flood	Moss
Flynt	Moulder
Forrester	Multer

NAYS—211

Adair	Bray	Dawson, Utah
Alger	Brown, Ohio	Delaney
Allen, Calif.	Brownson	Derounian
Allen, Ill.	Broyhill	Devereux
Andresen,	Budge	Dixon
August H.	Burnside	Dodd
Arends	Bush	Dondero
Ashley	Byrnes, Wis.	Donohue
Auchincloss	Canfield	Dorn, N. Y.
Ayres	Carrigg	Ellsworth
Bailey	Cederberg	Engle
Baker	Chase	Fallon
Baldwin	Chenoweth	Fascell
Bass, N. H.	Chipfield	Fenton
Bates	Church	Fernandez
Baumhart	Clark	Fino
Beamer	Clevenger	Fjare
Becker	Cole	Fogarty
Bennett, Mich.	Coon	Forand
Bentley	Corbett	Ford
Betts	Coudert	Frelinghuysen
Boland	Cramer	Friedel
Bolton,	Cretella	Fulton
Frances P.	Crumpacker	Gary
Bolton,	Cunningham	Gavin
Oliver P.	Curtis, Mass.	Gubser
Bosch	Curtis, Mo.	Gwinn
Bow	Dague	Hagen
Boyle	Davis, Wis.	Hale

Halleck	McVey	Schenck
Hand	Macdonald	Schwengel
Harden	Mack, Wash.	Scott
Harrison, Nebr.	Mailliard	Scrivner
Harrison, Va.	Martin	Scudder
Harvey	Mason	Seely-Brown
Hébert	Meader	Sheehan
Henderson	Merrrow	Short
Herlong	Miller, Md.	Siler
Heselton	Miller, Nebr.	Simpson, Pa.
Hess	Miller, N. Y.	Smith, Va.
Hiestand	Minshall	Smith, Wis.
Hill	Morano	Staggers
Hillings	Mumma	Taber
Hinshaw	Nelson	Taylor
Hoffman, Mich.	Nicholson	Teague, Calif.
Holmes	Norblad	Thomas
Holt	O'Brien, N. Y.	Thompson, Mich.
Holtzman	Osmer	Thomson, Wyo.
Horan	Ostertag	Tollefson
Hyde	Patterson	Udall
James	Pelly	Utt
Jenkins	Philbin	Vanik
Johansen	Phillips	Van Pelt
Jonas	Pillion	Van Zandt
Judd	Poff	Velde
Kean	Powell	Vorsys
Kearney	Prouty	Vursell
Kearns	Quigley	Wainwright
Keating	Radwan	Westland
Kelly, N. Y.	Ray	Wharton
Kilburn	Reece, Tenn.	Widnall
King, Pa.	Reed, N. Y.	Wigglesworth
Knox	Rees, Kans.	Williams, N. J.
Laird	Rhodes, Ariz.	Wilson, Calif.
Lane	Riehlman	Wilson, Ind.
Latham	Robeson, Va.	Withrow
Lipscomb	Robson, Ky.	Wolverton
McConnell	Rogers, Fla.	Yates
McCulloch	Rogers, Mass.	Young
McDonough	Sadlak	Younger
McGregor	St. George	
McIntire	Saylor	

NOT VOTING—20

Blatnik	Healey	Morgan
Boykin	Hoffman, Ill.	O'Hara, Minn.
Donovan	Hosmer	Scherer
Gamble	Jackson	Walter
Gentry	Johnson, Calif.	Williams, N. Y.
Green, Pa.	Kilday	Wolcott
Haley	Mollohan	

So (two-thirds not having voted in the affirmative) the bill was rejected, and the veto message and bill referred to the Committee on Agriculture.

The Clerk announced the following pairs:

On this vote:

Mr. Healey and Mr. Green of Pennsylvania for, with Mr. Donovan against.

Mr. Morgan and Mr. Boykin for, with Mr. Walter against.

Until further notice:

Mr. Mollohan with Mr. O'Hara of Minnesota.

Mr. Kilday with Mr. Scherer.

Mr. Haley with Mr. Williams of New York.

Mr. Blatnik with Mr. Hosmers.

Mr. Gentry with Mr. Jackson.

The results of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

Mr. MARTIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN. I would like to inquire if the gentleman from New Jersey, Mr. OSMERS, is recorded as answering to his name. I understand his name was called and he answered on the first call.

The SPEAKER. The gentleman is not recorded.

Mr. MARTIN. He was here on the first roll call and thinking his name was recorded he left. I understand the Chair cannot do anything about it.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent that I be recorded as voting "No."

The SPEAKER. Did the gentleman vote?

Mr. OSMERS. Yes, sir. I voted "Nay."

The SPEAKER. The gentleman was present and listening and voted "Nay" when his name was called?

Mr. OSMERS. Yes, sir.

The SPEAKER. The gentleman will be recorded as voting "Nay."

Mr. JONES of Missouri. Mr. Speaker, the House has voted to sustain the veto of the President, thereby reducing the income of the farmers of America by more than \$2 billion in this year, 1956.

It is easy to understand how some Members may have been misled in believing that it will be possible to enact legislation which will supplant or be substituted for the relief which was carried in H. R. 12, but unfortunately that is not the case.

As was so clearly pointed out by our chairman, the distinguished gentleman from North Carolina, the Honorable HAROLD D. COOLEY, any money made available through a soil bank program is not new income for the farmer; it would merely replace a portion of that income taken away from and which will be denied to the farmers of America through the veto of the farm bill by President Eisenhower.

As I stated at the time of the veto, President Eisenhower has evidenced his willingness to assume the criticism that has been directed at Secretary of Agriculture Benson, and to accept the responsibility for reducing the income of the farmers of the United States by not less than \$2 billion this year.

Likewise, the President's announcement of price supports on some of the basic commodities at not less than 82½ percent of parity will not have the effect of reducing production and will not have one iota of effect on reducing surpluses, but will only have the effect of reducing the income of farmers. This reduction of income to the farmers will likewise be felt throughout the economy of the entire Nation.

With all of this talk about integrity, principles and people, and if you please honesty, it reminds me of the "Honest John" character who was always going about bragging about his honesty and his principles in the hope that it would direct attention from his questionable reputation and his everyday activities.

With all of his platitudes about his concern for the farmers of America, President Eisenhower has never explained, to my satisfaction, how he squares his actions throughout the last 3 years with his pre-election statement made at Brookings, S. Dak., when he said:

The Republican Party is pledged to the sustaining of the 90 percent price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100-percent parity, with the guarantee in the price supports of 90.

I have time and time again called attention to the promise made to members of our House Committee on Agriculture by Secretary Benson that politics would

have no part in the administration of the ASC program, yet he has stubbornly and consistently refused to demand that the program in Missouri be administered honestly, fairly, and legally. He has condoned the rewriting of regulations to permit the payment of salaries to office managers who had been fired by farmer-elected county committees who have been stripped of any authority which they may have had for administering the programs at the county level.

While he concurred in the report of the Department of Agriculture which disapproved of the soil-bank program which was proposed more than a year ago, on the grounds that it was unworkable and that the estimated cost of \$490 million annually was prohibitive, he now recommends a program that would admittedly cost more than a billion dollars to be distributed on an arbitrary basis, and in advance of proof of compliance. And still there are some who will contend that the President and his Secretary of Agriculture are not playing politics with the farm vote.

The arbitrary actions of the Secretary of Agriculture were further pointed up this week, when on April 17, he arbitrarily announced that the support price on the 1956 cotton crop would be 82½ percent of parity. I guess he thinks the cotton farmers of America should be most grateful to him for not setting the price at 75 percent of parity, and admittedly he could have done this. And of course the President will tell the voters in the cotton section this fall that he was good to them by assuring them support prices of 82½ percent of parity, rather than the 75 percent minimum which the collapsible price-support system would have permitted. But he may have a hard time explaining why he did not set the support at 90 percent of parity which he could just as easily have done. And do not forget this, my friends, the level of price support will not have one bit of effect on the production of cotton this year. The only effect will be on the income of the farmers who grow this crop.

And I wonder how the Secretary of Agriculture will explain his proposed deal offered in the Senate when the farm bill was up for consideration there. It is a well known fact that he was willing to guarantee price supports of no less than 87½ percent if the Senate would give him a flexible price-support bill. There is no question but what he was able to get some votes on this promise, but his promise of 87½ percent price supports for cotton in 1956 will amount to as much as the President's promise of 90 percent price supports made to the farmers of America back in the fall of 1952.

And, I wonder how the Secretary of Agriculture will try to explain his actions in waiting so long to announce the price supports for cotton in this year, 1956. He waited until a large portion of the crop was planted in the South; some has even been planted in the northernmost sections of the Cotton Belt; and plans had been completed for all planting before April 17 when this announcement was made, almost 2 months later than the announcement is ordinarily made.

Will the Secretary of Agriculture have the audacity to say that politics did not enter into that announcement?

February 21, was the date that the announcement was made in 1952. In 1953 this announcement was made on February 26; March 3, 1954; and it was as early as February 23, that the announcement was made last year. Yet, during this election year the Secretary appears to have held this uncertainty over the heads of the Members of Congress as a whip to get his particular version of the farm bill passed. By his proposed "deal" he has admitted that he has the power to manipulate and to arbitrarily fix the support prices, not only on cotton, but on all other basic commodities. With one stroke of the pen he has seen fit to knock \$15 a bale from the price of cotton, which translated into the 14 million bale crop of this past year is well over \$200 million. If he is still in the saddle I shudder to think what will happen to the cotton farmers in 1957.

SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Finance and Commerce of the Committee on Interstate and Foreign Commerce may sit today during general debate.

The SPEAKER. Is there objection? There was no objection.

AUTHORIZING APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 474) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10387) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the vice chairman and ranking House minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN]. And at this time I yield myself such time as I may require.

Mr. Speaker, as indicated by the reading of the resolution, this resolution makes in order the bill H. R. 10387.

the doctor-draft legislation for two-thirds of its medical officers. Of about 10,000 medical officers on duty in the Department of Defense at present, only about 3,500 are career personnel. The pool of older physicians not otherwise liable under the regular Draft Act will be substantially exhausted by the time the doctor draft act expires on July 1, 1957. We are, therefore, driven to the enactment of legislation of this nature in order to increase the size of the career medical corps.

The Department of Defense has expressed the hope that as a result of the incentives provided in the bill, the size of the Medical Corps will be increased from one-third to two-thirds of the total requirement. It is certainly noteworthy that if an additional 3,000 career officers could be procured on a career basis as a result of the bill, the Department of Defense could avoid the drafting of 12,000 doctors over the next years.

The Department of Defense has conducted an extensive study to determine the reasons why the military services are failing to attract medical officers into the career branch of the medical-dental corps. It was the Department's finding that the principal reason was the disparity between military compensation and the compensation received by civilian physicians having comparable experience. The committee was advised that the average civilian physician who has completed 10 years of practice receives a net income, after office expenses, of approximately \$16,500 a year. The average medical officer who is out of medical school 10 years, probably will be a major or a lieutenant commander. His total compensation, including all allowances and the special pay of \$100 a month, is \$8,640 a year.

The compensation of medical officers in the armed services also compares unfavorably with that of the civilians employed in the Federal civil service and the Veterans' Administration. A physician having 10 years of civilian practice is eligible for a civil-service appointment in grade GS-15 with an annual compensation of \$12,690. In the case of the Veterans' Administration, the beginning salaries may be even higher, if the physician is a board-certified specialist.

The committee in its study of the problem realized that other factors are involved in the lack of interest in a military career, such as frequent reassignments, inadequate housing, or a general dislike for military life.

The Department of Defense assured the committee that every possible administrative action was being taken to meet these complaints.

It might be noted with regard to the assignment problem that the average medical officer can expect to be reassigned about twice as often as career officers in other fields. This condition exists because of the tremendous turnover resulting from the doctor draft, which requires only 2 years of service, and from the resignation rate of officers from the medical services. Most of the regular medical officers can expect reassignment every 2 years, and it is not at all unusual for them to be reassigned once every year.

There are also certain inherent responsibilities which may make the military medical services comparatively unattractive as a medical career. The military services, in order to provide medical service for about 3 million members, maintain throughout the world a total of about 2,000 medical units. Many of these stations are in remote and undesirable locations. We must bear in mind that one-third of all United States military personnel are stationed either overseas or on the seas. Medical care for almost 4,000 dependents overseas can be provided only by military doctors. The duty assignments and the long-working hours involved in serving in many of these locations make a military career as a medical officer unattractive when compared with that of a civilian physician. It might also be noted that medical officers stationed overseas, in addition to their other duties, have the obligation of caring for many civilian employees of the United States Government who are assigned to those areas.

The experience of the departments with respect to procurement and retention of dental officers is similar to that regarding medical officers.

MAJOR FEATURES

Mr. President, in order to accomplish its purpose, H. R. 9428 contains three distinct features:

First, it authorizes for medical and dental officers a 1-year increase in constructive service for permanent promotion seniority purposes. This service is increased from 4 to 5 years for physicians who have completed internships, and from 3 to 4 years for dentists. This increase would serve to recognize the required period which the physicians and dentists must spend in professional training after leaving undergraduate school.

Second, this same medical educational period up to 5 years would be credited for pay longevity purposes—5 years for the medical officers who completed internships and 4 years for dental officers. This provision will place them on the same longevity basis as their line officer contemporaries who entered military service at the same time as physicians entered medical school. The average increase under this provision is about \$50 per month, with a maximum of \$85 per month. The additional annual cost of the pay credit will be \$9,577,000.

The last feature of this bill authorizes an increase in the special pay of physicians and dentists based on length of active service as a medical or dental officer. At the present time all medical and dental officers receive special pay of \$100 per month. Under this bill, medical and dental officers with less than 2 years of active service will continue to receive the \$100 per month. Those with between 2 and 6 years of active service will receive \$150 per month in special pay; those with between 6 and 10 years, \$200 per month; and those with more than 10 years, \$250 per month. The purpose of these graduated increases is to make the military compensation more competitive with that of civilian physicians of similar experience and to provide a greater inducement to remain on active duty. We hope it will provide

the inducement which will cause medical and dental officers to remain on active duty and make a career of the armed services.

The committee amended the bill so as to place the first increase at the end of 2 years, rather than after 3 years of active duty. The term of service under the doctor draft law is 2 years, and more than 90 percent of those entering under that law leave the service as their 2-year period expires. It appeared that a greater number might remain if the first increase were offered at the end of the obligated period. The additional estimated cost of this provision is \$9,878,200. The total cost of this bill for the first fiscal year following enactment is expected to be \$19,455,200.

Mr. President, the Department of Defense and the committees of Congress which are charged with the primary responsibility of recommending legislation which will assure medical and dental aid to the men in the armed services have exhausted every available recourse in an effort to provide an adequate number of doctors and dentists for the armed services. We have resorted to the draft, and it now appears that the pool available from the draft is about to be exhausted.

I only wish we had some other means than that provided by this bill, but no other course apparently is available to us than to increase the compensation, as an incentive for doctors and dentists to make a career of the Armed Forces.

We cannot fail in our responsibility to those whom we have called into the service, many of them against their will, to see that they have adequate medical and dental treatment.

I hope the Senate will pass the bill unanimously.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. I should like to add a few words to what the chairman of the committee has said. He and I have considered this subject for a considerable number of years. The previous bill which was passed was an incentive bill. That bill has not succeeded in holding doctors and dentists in the Armed Forces. This is an additional incentive bill, which we hope will be successful in causing doctors and dentists to make a career of the service and provide needed medical attention for the boys of America who are now serving and who will be called upon to serve in the Armed Forces.

I commend the chairman of the committee for what he has said. I agree with him heartily. The bill was unanimously reported by the committee. We believe it is the only step which can be taken.

Mr. RUSSELL. I thank the distinguished ranking minority member of the committee for his statement.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The question is on agreeing to the committee amendment on page 1, line 9.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and

the committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 1, line 9, after the word "make" to strike out "original"; on page 3, line 4, after the word "the", to strike out "enactment" and insert "effective date"; in line 6, after the word "the", to insert "effective"; at the beginning of line 18, to insert "effective"; in the same line, after the word "date", to strike out "of enactment"; on page 4, line 14, after the word "the", to strike out "enactment" and insert "effective date"; on page 5, line 23, after the word "such", to insert "medical"; on page 6, after line 5, to strike out "and the service credit authorized by this clause shall not be included in establishing eligibility for voluntary or involuntary retirement or separation from the service, under any provision of law" and insert "and, notwithstanding any other provision of law, the service credit authorized by this clause shall not—

"(A) be included in establishing eligibility for voluntary or involuntary retirement or separation from the service, under any provision of law;

"(B) increase the retired or retirement pay of a person who became entitled to such pay prior to May 1, 1956; or

"(C) increase the retired pay of a person who becomes entitled to such pay under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1087), on or after May 1, 1956, but who does not perform active duty after May 1, 1956."

After line 21, to strike out:

SEC. 3. Any medical officer of the Regular Corps of the Public Health Service who—

And, in lieu thereof, to insert:

SEC. 3. Title II of the Public Health Service Act (act of July 1, 1944, 58 Stat. 683), as amended, is further amended by adding at the end thereof the following new section:

"PROMOTION CREDIT—ASSISTANT GRADE"

"SEC. 220. Any medical officer of the Regular Corps of the Public Health Service who—

On page 7, at the beginning of line 6, to strike out "(1)" and insert "(1) (A)"; at the beginning of line 11, to strike out "(2)" and insert "(2)"; in line 20, after the word "such", to strike out "date." and insert "date.""; after line 23, to strike out:

(1) By repealing so much of sections 211 (e) (1) and 311 (d) (3) as relates to officers of the Medical Corps and Dental Corps of the Navy.

And, in lieu thereof, to insert:

(1) By inserting in the first sentence of paragraph (1) of section 211 (e) and in the first sentence of paragraph (3) of section 311 (d), after the words "a staff corps", the words "other than the Medical and Dental Corps", and deleting in those sentences the words "if of other than the Medical Corps, and in the preceding calendar year if of the Medical Corps."

On page 8, line 18, after the numeral "5", to insert "(a)"; in line 25, after the word "completed", to strike out "three" and insert "two"; on page 9, line 3, after

the word "those", to insert "veterinary"; in line 7, after the word "least", to strike out "three" and insert "two"; after line 19, to insert:

(b) Section 203 (b) of such act is further amended by striking out the following words in the third proviso: "of \$100 per month as is."

After line 22, to insert:

SEC. 6. Any person who, on the day before the effective date of this act, has not completed 18 years of service creditable in the computation of active duty pay in the uniformed service of which he is a member and who, as a result of the enactment of this act, is upon the effective date of this act credited with more than 17 years of such service shall, notwithstanding any other provision of law, be allowed 12 months from the effective date of this act within which to make the election provided for in section 3 (a) of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 502).

And, on page 10, at the beginning of line 9, to change the section number from "6" to "7."

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 9428) was read the third time, and passed.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. BRICKER].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Is it not a fact that the yeas and nays on the pending amendment have been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

ANNUITIES UNDER FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of March 12, 1956, p. 4004, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SPARKMAN. Mr. President, I have a very brief statement to make on the report.

Late last session the Senate passed Senate bill 1287, which made certain increases in the annuities of annuitants under the Foreign Service retirement system. Subsequently the House of Representatives amended the bill. Prior to adjournment it was impossible to reconcile the differences between the House and the Senate versions of Senate bill 1287.

A conference has now been held; and the question before the Senate is on agreeing to the conference report.

The House and Senate versions of Senate bill 1287 differed in two respects.

In the first place, the Senate version provided for a graduated system of increases to be given to the annuitants under the system. The House version gave annuitants an across-the-board, cost-of-living increase in their annuities in an amount not to exceed \$324 a year.

The Senate conferees accepted the House version, which provides for a flat across-the-board increase in annuities for annuitants who retired prior to July 1, 1949. This increase in annuities will give Foreign Service officers the same increase in annuities which was given to civil-service employees in 1952.

The second difference between the House version of Senate bill 1287 and the Senate version related to a House provision which would have authorized the Secretary of State to make loans or grants to certain categories of widows of retired Foreign Service officers. The Senate conferees felt that this provision would establish a bad precedent and might get the Secretary of State into the loan business.

As a result of the conference, changes were made in Senate bill 1287, and these changes will make it possible for a limited class of needy widows of Foreign Service officers to receive annuities of up to \$1,200 a year.

The Senate conferees are satisfied that the conference report on Senate bill 1287 represents a reasonable compromise between provisions of the House version of the bill and the Senate version. I hope the conference report will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

THE VETO OF THE FARM BILL

Mr. HUMPHREY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAIRD in the chair). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I shall address myself to the subject of the President's veto of the farm bill.

American farmers are rightfully indignant and deeply shocked by the unwise action of our President in vetoing the urgently needed farm bill.

They have had a chance now to read the President's veto message, and to hear his personal explanation.

I submit they are still shocked. They have every right to be.

If anything, the President's radio and television message of explanation compounded the inconsistencies and inaccuracies of his veto message.

Farmers, as fellow citizens, have a right to expect their President not to mislead them, not to distort the facts.

The glib assumptions of the President's message and his political appeal supporting it have not been upheld in the record of debate on this floor; they are not upheld by the official facts and figures of the Department of Agriculture; they are not warranted by the actual experience of farmers themselves under our farm programs.

It is an amazing sight to see a President of the United States go before the American people on television and insist he will not tolerate any "politics" on farm issues, when he knows better. If he does not, it is only a greater reflection upon him and upon those around him.

If ever there has been partisan politics injected into a farm policy decision, it has been done so by President Eisenhower's own administration.

The White House, Secretary Benson, and spokesmen for Republican farm policy on this floor have consistently and continually refused to work with a Democratic Congress in a true bipartisan sense to develop constructive farm legislation.

Instead, they have come to us and said, in effect, "This is our program—take it or leave it. If you have any ideas of your own to improve it, we will toss the whole thing out the window."

And that is just what they have now done.

The farm bill sent to the White House was worked out by the Democratic leadership with effective bipartisan cooperation on our appropriate committees and supported by farm State representatives of both parties on the floor of the Senate and the House.

Forty-eight Republican Members of the House from the great farming areas of the Nation voted for it.

Fifteen Republican Senators representing key farm States supported it.

Five out of the seven Republican Members of the Senate Committee on Agriculture voted for the conference bill sent to the President for approval.

I submit, Mr. President, that that is bipartisanship at the congressional level

on the part of those most responsible for farm legislation. Yet the President turned it down because it was not the "party line" that he and his prime minister Sherman Adams, and his Republican Party leaders had laid down.

If the President now tries to publicly wash his hands of partisanship in this farm fight, what does he have to say about the great advertising campaign of the Senate and House Republican campaign committees in support of the "Eisenhower-Republican farm program?"

That was the advertising campaign under which farmers were to send in a coupon and get the Eisenhower program.

If the President now tries to project himself into the role of a man standing firmly on principle, worried about surpluses, what does he have to say about his own Secretary of Agriculture wheeling and dealing for Senate votes by offering concessions of increased acreage allotments and higher prices in a brazen attempt to influence Senators to help him save face, whatever the loss to America's farmers and American taxpayers.

There could be no more misleading propaganda perpetrated upon the American people than the President's attempt to lay on the Democrats in the Congress the blame for "delay" on effective action to halt the farm recession.

How many times, Mr. President, have we heard that there was great delay? Yet, the President received the bill on Wednesday, after it was passed by the Senate, but it was not until Monday that any final action by the President was taken.

Where was his concern for a soil bank on September 30, last fall, when his own executive department Bureau of the Budget concurred in the Department of Agriculture's report opposing soil bank legislation which I had introduced a year ago?

The President rejected a soil-bank proposal which was almost identical to the one passed by both Houses.

Mr. LONG. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LONG. That is a point which seems to have escaped the attention of some people. If the President wants to lay blame for delay, he should accept blame for delaying the matter for 3 years, because for the first 3 years of the present administration the President and his administration opposed the soil bank concept.

Mr. HUMPHREY. The Senator is correct. He opposed specific legislative proposals. There were 2 or 3 such proposals in the Senate and half a dozen or more in the House. I shall show in this address that the President's own administration could have had a soil bank under existing law if he had wanted to, and can still have.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. In that connection, I should like to call the Senator's attention to something which occurred in the House yesterday, and which is covered

at page 5740 of the RECORD, dealing with the same subject. I was just reading the debate.

A very fine Representative from Minnesota, with whom I served in the House and whom I know quite well, the Honorable H. CARL ANDERSEN, who is a member of the Republican Party, said this in talking about the soil bank. First, I shall read what Representative POAGE of Texas said:

Mr. POAGE. I have here with me today a copy of letters from the Department of Agriculture written less than 9 months ago condemning this soil bank, in which the Secretary advises the Committee on Agriculture that he then considered it too expensive and unworkable.

Mr. HUMPHREY. Would the Senator be interested to know that we were talking about \$500 million and the President wanted a billion and a quarter dollars?

Mr. SPARKMAN. Let me read what Representative H. CARL ANDERSEN said:

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The hearings before my Subcommittee on Appropriations for Agriculture will show that on January 28, 1954, Mr. Benson in direct answer to a question I asked with reference to what was wrong with the general principle of establishing such a soil bank informed us that in his opinion it was unworkable. He said there were many things wrong with the principles of such a program.

Mr. HUMPHREY. I wish to thank the Senator from Alabama and, also, the Representative from Minnesota.

Mr. President, where was the President's concern over delay in getting started when his own Secretary of Agriculture came before our Senate Committee on Agriculture and Forestry on January 12 of this year and admitted they had not yet worked out detailed suggestions or recommendations on the workings of a soil bank, but were just then rushing to get them prepared?

Where was his concern over delay when the Senate deferred action after the Senate Committee reported its bill February 10, to allow a 10-day period for Republican orators to tour the country making Lincoln Day fund-raising speeches for the Republican Party?

I am not objecting to that. That is done under a gentlemen's understanding, and it is entirely appropriate. But it always seems that when there is a delay the President finds it convenient to lay the blame on the Democratic side.

Where was his concern over the economic plight of farmers when his Secretary of Agriculture established new low support levels for 1956 crops—levels the President now offers grudgingly to partially raise in return for depriving farmers of the fair price levels Congress determined they were entitled to?

If the Eisenhower administration finds justification and authority now to voluntarily increase farm price-support levels to some degree after veto of the farm bill which would have provided far more effective farm income protection, why did not the same justification and authority exist when Secretary Benson

earlier established the lower support levels?

Mr. President, I think that is a fair question. The President is establishing new support levels—he announced it in his veto message and on the radio and on the television—on the basis of the law of 1954. That law, Mr. President, was in effect in January, February, March, and April of this year. It has not been changed.

How does it happen that wheat was 76 percent of parity before the veto and has gone up to 84 percent of parity after the veto?

Mr. President, the law laid down eight criteria for the Secretary to use in deciding on support levels. He is obligated to use them. If he does not, he must make a public explanation.

I should like to know what has happened in the past 2 weeks in connection with the surplus of wheat and the production of wheat which allowed the President administratively to raise support levels. The only thing that has happened is the approach of an election.

I say, here and now, that the President and the Secretary of Agriculture have an obligation under the law, which I shall read subsequently, to announce why they made these decisions.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. I wondered if it had occurred to the Senator from Minnesota that the idea behind raising the support level was that an election is in prospect? We are now seeing some indication of the many things which could have been done during the past 3 years to help the farmers, and which the administration has deliberately refrained from doing. In other words, it is possible that many things which the administration is proceeding to do now, could have been done during the past 3 years in order to increase farm income by more than a billion dollars a year.

Mr. HUMPHREY. The Senator from Louisiana has put his finger on the most important factor in the debate and squabble on farm legislation. It is now obvious to every farmer that the administration has been crudely, rudely, and in a Scrooge-like manner, denying to farmers reasonable prices for their products. We now have evidence, by way of the veto message, that any time the President wants to raise the support levels, he can do so. So it can only be that he purposely, and with design, forced prices down. Now, with Mr. Eisenhower's willful action, administratively, under the same law, the price support level is raised—or, more correctly, not lowered as much as they originally planned—as a means of throwing a sop to the farmers' well-being, thinking that they will forget the many months of depressed prices they have had to suffer.

What has been the change in the economic facts involved in the conflicting decisions other than the belated election year recognition of farm protests against the administration's gross neglect of agriculture? President Eisenhower says, "We now have sound, for-

ward looking legislation in the Agricultural Act of 1954." Yet it was under that Act that Secretary Benson fixed the support levels originally announced for 1956. It must be assumed that Secretary Benson used the criteria established in the act in arriving at the announced price support levels. Whatever discretionary authority the President or the Secretary now has to make adjustments related to economic conditions in agriculture, he also had before. Whatever information the administration officials now have about depressed conditions in agriculture they had available then—if they had cared to consider that vital fact.

Does the President now say that the Secretary of Agriculture grossly misjudged the factors involved in setting the lower support levels under the flexible support theory? Is the President saying to the people of America and to Congress, via his veto message, his radio program, and his television program, that Ezra Taft Benson not only is a poor Secretary of Agriculture, but that he does not even know arithmetic?

The support levels announced by Secretary Benson were announced under the President's authority. It is Mr. Eisenhower's farm program, not poor Benson's. It is Mr. Eisenhower who is responsible. Is Mr. Eisenhower saying to the farmer that he did not know what was in the Agricultural Act of 1954? Is he saying to the farmer that even if he had known what was in the Act of 1954, he thought the farmers ought to suffer a little more? Is that why he cut the support levels down? Is that why he pulled down the support level for wheat? Is that why it was cut down for corn? I want some explanation from this "principled administration."

Is the President of the United States saying that the flexible support theory should not be quite so flexible in an election year? Is that what he is saying? Is he saying that a little of the flex ought to be taken out every time a Presidential election comes around? Or is he saying, "We are going to dip into the Commodity Credit Corporation to pay the Republican campaign expenses"? That is what he was saying in the veto message.

I was of the opinion that Congress wrote the law. I was of the opinion that once a law was in operation, a law such as the act of 1954, there had to be some continuity to it. But no. By one simple twist of the dial, by a television script, by a veto message, farm prices are raised overnight in Washington, administratively, from the White House—and under the same old law.

Mr. President, I say this is not "principled" action. I say that, at best, it shows 1 of 2 things: Either the Department of Agriculture or the President did not know what was being done before last week; therefore, they have now come around to admitting their grievous errors of judgment at the cost of hundreds of millions of dollars to the American farmers and the American economy. Or they are merely playing politics by changing the support levels

overnight, in order to ease the blow of an unjustified veto.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. Will the distinguished Senator from Minnesota inform the junior Senator from Tennessee whether the old price support levels, the price support levels previously announced by Secretary Benson, are in conformity with the formulas and the requirements of the 1954 act; or whether the new, recently announced, politically announced, price support levels are in conformity with the bill?

Mr. HUMPHREY. Rather than to pose as a judge in that matter, let me say that if the new announced support levels are supported by the criteria in the 1954 act, then, indeed, the levels of last week were not supported by the criteria. If that is the case, then we ought to get a new Department of Agriculture, starting with the Secretary; and it might be well, also, to get someone new at the top, through a change in the White House, namely, a new President; because if the President can be that wrong, and if his Secretary of Agriculture can be that wrong, then this is too expensive an administration, because its actions have cost the farmers hundreds of millions of dollars.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. GORE. Would it be reasonable to deduce from these circumstances that one of the inequities of the flexible-price-support program is that it is subject to political manipulation?

Mr. HUMPHREY. How right the Senator from Tennessee is. The program seems to become much more firm in its flexibility in about April, May, and June of a presidential election year. One of the real reasons for a mandatory price-support program is that it does not make any difference whether a farmer votes or not; he is under a price-support level provided by the law passed by Congress. It does not make any difference whether he is a Republican or a Democrat; he gets the price-support level provided by the law passed by Congress.

I charge on the floor now that the administration is openly playing politics with the price-support program of 1954.

Mr. GORE. That being true, would not the Senator think the farmers could more safely rely upon the price-support levels determined by Congress, as contained in the law, than to leave their fate to the political manipulations of the party bosses in an election year?

Mr. HUMPHREY. The Senator from Tennessee is absolutely correct. Again I may say that his perception is equal to his good judgment, and both are superlative.

Mr. President, some of the press critics of effective farm legislation so jubilant over the President's veto need to do a little soul searching before they jump to such hasty conclusions as they have as to who is standing on principle and who is not, who is being consistent and who is not, who is doing what is really best for our economy and who is not.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. Is the Senator from Minnesota aware of the fact that the Wall Street Journal has endorsed the President's action in this matter?

Mr. HUMPHREY. I have not been fully aware of that fact, but I may say I am not surprised. I would rather have expected it, since many of the announcements of the administration on agriculture have come from that great newspaper.

Mr. KERR. In view of the fact that Benson and the Wall Street Journal have agreed on what the farm policy ought to be, and that the President has come out with such a program, does not the Senator feel that perhaps he should evaluate his position, and see if he would be justified in taking a position inconsistent with the one they take?

Mr. HUMPHREY. I think that is a valuable suggestion for the President. I may say if the President would evaluate anything he has done, it would be helpful to the American people.

Mr. KERR. I agree with the Senator, but in view of the fact that the Wall Street Journal has endorsed his position so completely, is it not possible that the Senator from Minnesota and the Senator from Oklahoma, who have been so positive in their condemnation of the President, might reevaluate the opinion of the Secretary of Agriculture and the Wall Street Journal?

Mr. HUMPHREY. I think the Senator has a point. I gather his point is that after hearing from the Wall Street Journal's "experts" in the field of agriculture, we might want to reevaluate our own criticisms of the President's action?

Mr. KERR. Yes.

Mr. HUMPHREY. One of the reasons why the President and the Wall Street Journal were interested in the farm bill was that the bill had the words "soil bank" in it. Immediately there was a great reaction in the administration. They said, "A bank! A bank! It must be good." Immediately financial publications, such as Barron's Weekly, the Wall Street Journal, the New York Journal of Commerce, said, "A bank!" The word "soil" did not mean too much, but the word "bank" set up a whole chain reaction. The President, along with Benson, his great Secretary of Agriculture, and the Secretary of the Treasury, George Humphrey, who, by the way, is not related to me biologically or politically, saw the word "bank" in the bill, and said, "It must be good." The Federal Reserve banks have been constantly fooling around with the discount rate; and that is what the administration has been doing with the price supports.

Mr. KERR. If the Senator will yield, I should like to point out that they are related on the basis of an inverse ratio, interest rates going up, and price supports going down.

Mr. HUMPHREY. That is true. Price supports for financial institutions have gone up, and price supports for farmers have gone down. Do not think the administration is not for price supports. It depends on who would be affected by

them. We do not want to be unkind to them. They are really for price supports.

Mr. KERR. And for Dixon-Yates.

Mr. HUMPHREY. For Dixon-Yates.

Mr. KERR. And high interest rates.

Mr. HUMPHREY. High interest rates; discount rates; and for price supports, but not for farmers.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Louisiana.

Mr. LONG. I suppose the Senator noticed over the past weekend, while the President was considering vetoing the farm bill, that his administration increased the rediscount interest rates by one-half of one percent. Did he not?

Mr. HUMPHREY. The administration did that; and they did not have to have any hearings on it; there was no delay.

Mr. LONG. Before the day was over, the Chase National Bank also raised its interest rates to keep them in line with those of the Federal Reserve Board.

Mr. HUMPHREY. It is always cooperating with the administration.

Mr. LONG. I am sure that by Monday every bank of any consequence had raised the interest rates which will be charged farmers and other individuals, including interest rates charged the Federal Government for interest on the Government's own debt.

Mr. HUMPHREY. They will cooperate to the last digit and the last nickel on increased interest rates they can get from everyone.

Mr. LONG. One of these days I hope to compute how much the increases in the interest rates by the administration have cost the farmers and the general consumers of the Nation. I would assume the figure to be somewhere between \$1½ billion and \$2 billion. Someone should take a look at the cost of the increased interest rates the administration has imposed on the people, without consultation with Congress or anyone else, but to help out those who lend money, at the expense of the Government and most of the people who have borrowed money.

Mr. HUMPHREY. But the Senator will admit that the administration has been efficient and there has been no delay in fulfilling its obligation to provide price supports. It did not make clear, price supports on what. The first act of the administration in 1953 was to raise interest rates for agriculture.

Mr. LONG. Over the weekend the administration did not see anything wrong in increasing the interest rates charged to those who borrow money, by one-half of one percent, while at the same time it killed the bill to benefit the farmers.

Mr. HUMPHREY. These are matters which have been discussed before the Committee on Finance. At least, they have been discussed after the fact. I regret the Senator's advice was not sought beforehand, but the administration likes to move rapidly.

Mr. LONG. Banks got an increase in their price supports at the same time

farmers got a decrease in their price supports.

Mr. HUMPHREY. That is a perfectly consistent action on the part of the administration.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield to the Senator from Alabama.

Mr. SPARKMAN. I am not sure there is any relation to the question of parity, but I wonder if the increase in interest rates which was put into effect over the weekend, while the President was deciding to veto price supports for farmers, was a 90-percent support price, or was it approaching 100 percent?

Mr. HUMPHREY. I take it the administration is approaching the great goal of 100 percent in the market place. It is the market, but not the livestock market. It is the stock market, the blue-chip market.

Mr. BARKLEY. Mr. President, I was going to ask the Senator from Minnesota which market place he was referring to, but now he has answered the question I intended to ask him.

Mr. HUMPHREY. I thank the Senator. I am sure the distinguished Senator from Kentucky, who has been so much a part of the struggle to obtain equality for agriculture, will agree with me that generally, when a Republican President is in the White House and when the Republican Party is feeling its strength, there are two obvious economic facts in American life: low agricultural prices and high New York stock-market prices—or, at least, for a while; sometimes they decline, as occurred in 1932.

Mr. GORE. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. LAIRD in the Chair). Does the Senator from Minnesota yield to the Senator from Tennessee?

Mr. HUMPHREY. I yield.

Mr. GORE. The result of the first interest-rate manipulation was to reduce from three to two the number of bedrooms in a house a veteran could purchase with a given payment. The junior Senator from Tennessee would like to know how many bedrooms there are in the house a veteran can buy now with the same amount of money.

Mr. HUMPHREY. I am not sure what the decrease will be in the number of bedrooms; but I suggest that such a veteran will be rather crowded in living in the few bedrooms he will have left, because the walls are tightening in on him as a result of the last little "deal" to which the Senator from Louisiana referred.

Furthermore, I recall the report made by the Senator from Alabama [Mr. SPARKMAN] in regard to what I believe was a \$14,000 home. The action of the administration resulted in reducing the size of such a home by one bedroom. In short, the administration said, "If you have a large family, you will have to crowd up a little bit."

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Let me suggest that in that process, still another room has

been removed from the house such a person could afford, because in the last year the average price of homes in the United States rose \$1,400, and the price is still rising.

Mr. HUMPHREY. And if that continues, some folk will have to sleep in the parks.

Mr. BARKLEY. Perhaps that is one of the considerations back of the proposal to prevent further increases in the population of the United States—because there would be no place for them to sleep.

Mr. HUMPHREY. Certainly that is a very helpful comment in connection with this discussion.

Mr. CAPEHART. Mr. President, will the Senator from Minnesota yield to a Senator on this side of the aisle?

Mr. HUMPHREY. Yes; for I wish to be fair to Senators on that side of the aisle.

However, Mr. President, before yielding to the Senator from Indiana, I should like to give the Senator from Indiana several little tidbits on which he will be able to chew for a while.

Mr. CAPEHART. Mr. President, since the Senator from Minnesota is trying to straighten out his understanding of this matter, I shall be glad to throw a little more light on it.

Mr. HUMPHREY. I am delighted to have the Senator from Indiana do so.

Mr. CAPEHART. I wish to help keep the record straight. Let me point out that in the 3½ years since Mr. Eisenhower has been President of the United States, there has not been an increase in the cost of living. In other words, what the people buy today costs no more than it would have cost 3 years ago.

Mr. HUMPHREY. Let me interrupt the Senator from Indiana at that point. I think the statement he has made is a fair one, but I think a word of explanation in that connection might be helpful. As the prices of processed and manufactured goods have risen and as interest rates have risen—and they have—and as the carrying charges which farmers have to pay have risen and as the wages of other groups of the population have risen, the prices of farm commodities have gone down. So the administration has been able to keep some sort of economic balance, by having the prices of some things go up, and the prices of others go down. Of course, that development unbalances the situation of some folk, although it makes a fairly good statistical picture.

Mr. CAPEHART. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. The Senator from Minnesota also said that when the Republicans are in power, farm prices go down and New York Stock Market prices go up.

Let me say that during my lifetime there have been three Democratic Presidents—Wilson, Roosevelt, and Truman. All three of them involved the United States in war. Therefore, let me ask the Senator from Minnesota this question: Is it just as honest to say that when we have a Democratic President, we are

involved in war, as it is to say that when we have a Republican President, farm prices are low and New York Stock Market prices are high? Is one statement as honest as the other?

Mr. HUMPHREY. The Senator from Indiana has asked me the question, and I would reply by saying "No." [Laughter.] That is a simple and an honest answer.

I have always been interested in the knowledge of history that my Republican friends have. They have a wonderful way of being able to ignore any chapters of history that are slightly distasteful to them. For instance, they ignore the existence of such a person as Hitler. In the minds of our Republican friends, such a person never existed. Likewise, so far as my Republican friends are concerned, Pearl Harbor never happened—or, if it did, it was only another Republican parade with fire crackers. Similarly, in the minds of my Republican friends, there never were such persons as Tojo or Stalin.

Such a point of view on the part of my Republican friends indicates to me that if one is able to close his mind to certain chapters of history, he can live a rather blissful, peaceful life.

Mr. KERR. Mr. President, will the Senator from Minnesota yield to me, to permit me to ask two questions?

Mr. HUMPHREY. Certainly.

Mr. KERR. The Senator from Indiana called attention to the fact that the cost of living has been about the same for the past 3 years. Is it not a definite and accepted fact that the American farmer is the goat of that situation?

Mr. HUMPHREY. The Senator from Oklahoma is correct.

Mr. KERR. Is it not also a fact that the American farmer has had to suffer the depressing influence of reduced agricultural prices, and that the prices of agricultural commodities have been reduced in order to absorb the increase which has occurred in the prices of all commodities except those produced on the farms?

Mr. HUMPHREY. The Senator from Oklahoma is absolutely correct; and the statement he has made is supported by all the statistical data which comes from the Government.

Mr. KERR. Now let me refer to 100 percent of parity in the market place, insofar as the farmer is concerned. Is it not a fact that the one time during the past three decades when the farmer had full parity in the market place for his products was during the administration of Herbert Hoover?

Mr. HUMPHREY. Will the Senator please repeat his question? The suggestion he makes in it is a rather shocking one.

Mr. KERR. Is it not a fact that the only time in the past three decades when the farmer has had full parity in the market place—that is to say, the full benefit of the law of supply and demand, and also as regards the operations of the speculators and the full evil effect of such operations—was during the administration of Herbert Hoover?

Mr. HUMPHREY. I think he came as close to reaching that objective as any man I know of.

Mr. KERR. Is it not a fact that no effort was made to prevent the prices of farm products from finding whatever level the operation of the law of supply and demand and the operations of the speculators would drive them to?

Mr. HUMPHREY. Yes, except I wish to point out that in order to keep the record straight, we should say that in 1930 and 1931 the old Federal Farm Board engaged in some activities which were too little and too late—which is another chapter in the book of the Republican doxology.

Mr. KERR. Was that the Board which advocated helping the wheat farmer by placing a bonus on the price of flour?

Mr. HUMPHREY. Is seems to me that something of that sort was involved.

Mr. KERR. Just as Secretary Benson has tried to help the livestock producers by giving a bonus to the packers.

Mr. HUMPHREY. Yes. There seems to be a strange similarity and affinity there.

Mr. BARKLEY. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. BARKLEY. I recall that the Farm Board was created and that \$500 million was appropriated by Congress for the operations of the Board. But the \$500 million and the farmers all went down the drain together as a result.

Mr. HUMPHREY. That is what we call a great engineering feat—ditching the dam and draining the country in one fell swoop.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield.

Mr. LONG. Inasmuch as the statement has been made that the cost of living today is about the same as it has been during the past 3 years, it might be well to point out that, as the Senator from Minnesota has said, in that process some persons have done better and some persons have done worse. For example, the corporations with assets of more than \$100 million have seen their assets increase by 27 percent. Those are the figures of the Eisenhower administration. Those with assets of \$250,000 or less have seen their income reduced by 39 percent, while the farmer has seen his income reduced by \$4 billion. The persons who collect interest on money have seen their incomes increased by approximately \$2 billion. So the cost of living is the same. It has only been shifted. Those in the upper brackets are making more and those in the lower brackets are making less. At least, some people can be happy. The economy is balanced. Some are getting more and some are getting less.

Mr. HUMPHREY. I thank the Senator. He is always on the job when it comes to economic analysis. I know of no Senator who has contributed more to an objective, accurate appraisal of these figures than has the Senator from Louisiana. I accept his figures. I am sure they are supported by the reports of the Senator's own Committee on Small Business.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. In order that the statement of our distinguished colleague from Louisiana may be understood, the decrease of \$4 billion which the farmer has suffered is a decrease in his take-home pay, his take-home income, or net.

Mr. HUMPHREY. That is correct. It is a \$4 billion net decrease.

Mr. KERR. That is, according to the Department of Agriculture.

Mr. HUMPHREY. Yes.

Mr. KERR. A few days ago a panel of economists from the Reserve board headquarters in the district of which Oklahoma is a part conducted a panel discussion in a bankers' convention in Oklahoma. They announced that the average farm income in Oklahoma for 1955 was \$1,200 per family, which represented a decrease of \$1,000 per family in 3 years. That demonstrates that actually the take-home pay of the average farm family during the past 3 years has been reduced nearly one-half.

Mr. HUMPHREY. I thank the Senator for that observation. I am sure the Senator would be interested in knowing that the college of agriculture at Ames, Iowa, in a recent study in Iowa, demonstrated that last year there was a 50-percent reduction in cash income of Iowa farmers. In Minnesota we have seen a very substantial reduction in income of farmers, and a rise in indebtedness.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. The senior Senator from Oklahoma made the statement a few moments ago that the Department of Agriculture had undertaken to support the price of hogs by a bonus to the packers. If that be true, what kind of products would the Senator from Minnesota or the senior Senator from Oklahoma say the Department of Agriculture actually bought?

Mr. HUMPHREY. I shall make one comment, and then I shall yield to the Senator from Oklahoma.

The study which we placed in the CONGRESSIONAL RECORD, which was a review of statistical evidence relating to purchases by the Department of finished pork products from packers, revealed that every time the Department of Agriculture bought pork products, the price of pork went up and the price of hogs went down. That is shown by the records of the Department of Agriculture. That was true in every instance, with 1 or 2 exceptions. I think there were two times when the purchase program resulted in an increase in the return to the producer of hogs.

I now yield to the Senator from Oklahoma.

Mr. KERR. Mr. President, I remind the distinguished Senator from Minnesota that he must give the Department of Agriculture full credit. It has boosted the price of canned pork gravy to the packer more than 10 percent as a result of this operation.

Today the Department of Agriculture, after having bought more than \$100 million worth of pork products, including a very substantial amount of canned pork gravy, has succeeded in lifting the

price of the delectable, desirable, incomparable product of pork gravy to the point where it is paying nearly 70 cents a pound. When the program started, it was at the pitifully low price of about 62 cents.

As the distinguished junior Senator from Oklahoma [Mr. MONRONEY] once said, the Department was proving that, although the man who raised the hog and kept him for 7 months received only 10 cents a pound, the packer, for keeping him about 30 minutes, was getting a differential of more than 50 cents a pound. As the distinguished junior Senator from Oklahoma said, the hog could have stayed at the Waldorf-Astoria for an equal length of time for less.

Mr. HUMPHREY. I thank the Senator from Tennessee and the Senator from Oklahoma for their very delightful and enlightening contribution on the subject of political gravy. That is apparently what has been the result, when we consider the President's veto in the light of some of the recent actions with respect to the farm-price-support level.

If we consider the veto message line by line, we find it filled with inconsistencies. The President professes worry about accumulating more surpluses of feed grains, then vetoes the first action this Congress has ever taken to cut back production of feed grains.

I wish to be charitable to the President. I am sure he did not know that there was something in the bill which would have cut back the production of feed grains. The bill would have made a mandatory reduction of 15 percent in the acreage of feed grains. That would not have resulted in the production of more feed grains, but less feed grains. However, for what the farmer did produce, he would receive a fair and reasonable price.

So, if the President wishes to reconsider the veto message—I do not know whether there is precedent for it—if he will look into the feed-grain section of the bill as passed by Congress, he will find that for the first time in the history of the Congress a measure was enacted by Congress to cut back the production of feed grains. Yet the President went on the radio and television and told the people that the bill would expand the production of feed grains. I am sure he meant it. I am sure he thought it would. I am sure Benson never told him to the contrary. Sherman Adams undoubtedly did not know about it, because he does not produce enough feed grains to enable him to know about it. I am sure no one told the President about it, or he would not have misled the American people. I do not say that the President purposely or intentionally misleads the people. I simply say that he did not know what was in the bill. If he did know, he would be guilty of a purposeful deception of the American people. However, I do not think he would do so.

It is time someone really challenged the fiction this administration is peddling as fact about all the depressed farm prices being the result of surpluses.

It is not Government-owned surpluses that depress prices; it is how the Government handles those surpluses.

How can commodities in the Government's hands depress the cash markets below support levels if the law requires, as it does, that the Government shall not sell those commodities at less than the full support price plus 5 percent and carrying charges?

I will tell Senators how it happens. It happens only because the administration uses every loophole to avoid that law, and to dump products on the market in direct competition with the producer at cut-rate competition.

Before the President does much more talking about surpluses, I ask once again for him to tell this Congress just what really is surplus and what is not. His own Secretary was unable to do so, and his own Office of Defense Mobilization was unable to do so.

What a strange situation confronts us. Here we are in Congress, asked to spend billions to correct a situation of surpluses, and yet this administration has never, to my knowledge, informed either the Congress or its committees where it draws the line between what is surplus and what is normal safe reserves for the protection of the Nation's interest.

If the Government regards everything that passes through its hands in the Commodity Credit Corporation as surplus then it is hopelessly confused.

For this administration, by embarking on policies of bringing farm prices down on the one hand while supposedly trying to keep them up through loan programs on the other, has driven more and more commodities into its own hands and taken over more and more of the normal marketing functions of private producers and private traders.

The result of this Department's bungling administration has been less free trade and less free markets, not more.

The Government itself has cornered the market, and has steered it downward, instead of upward. Its actions have devalued its own commodity holdings and expanded losses to the taxpayers, as well as expanding loss to farmers.

I would like to ask one simple question: Does anyone think that if any one smart private trader in this country had control of as great a proportion of our farm commodities as the Department of Agriculture has, he could not influence the market upward or downward?

Imagine, Mr. President, a trader in a particular commodity getting literally a corner on the market. Does any Senator believe that such a trader would not force prices up, instead of down? Of course he would. Yet our Government, which has these great quantities of commodities, says it will not use them to build a better price structure. Instead, Mr. President, it will use them to depress the price structure.

I say on the floor of the Senate, as a Member of the Senate and on my responsibility as a Senator of the United States, that anyone who goes to the Chicago Board of Trade or to the Minneapolis Grain Exchange and speaks to the men in those exchanges, who are actually in the market, will be told by them that the present administration has done more to usurp the powers of a normal free trade in the grain market

than has any other administration in our history. They will make clear that our Department of Agriculture has purposely and intentionally depressed prices. I have submitted for the RECORD in months past, letters, telegrams, and other communications from boards of trade and from important exporters and traders in the field of agricultural commodities which show that to be the fact.

We have far lower farm prices than economically necessary under existing conditions simply because the Department of Agriculture has refused to "freeze" its holdings to force prices up to support levels.

We have more commodities going through the Government's hands and being labeled "surplus" because of just such mismanagement.

Unless farmers call a halt to it in November, it is now obvious that we are in for more mismanagement and more low prices despite anything Congress tries to do about it.

Farmers needed the bill sent to the White House by this Congress. Our country needed it.

As I said earlier in my remarks, more than 40 Republican Members of the House of Representatives and 15 Republican Members of the Senate joined with the Democrats in Congress in getting that bill to the President. Those are men who live in farm areas. They are men who understand farm problems. They worked hard and conscientiously to bring about good legislation.

Conscientious men worked long and hard to develop that bill to meet acute problems in our economy. It is a dangerous disservice to intimate, as some have mistakenly done, that it was a mere gesture deliberately developed to force a Presidential veto.

I do not know a supporter of that bill who did not urge that it be signed into law.

In fact, I thought the bill would be signed. I could not conceive the President of the United States vetoing it, when, at the most, there was only a 1-year extension of what he thought were high support levels, and when at the same time he was getting almost everything else he had asked for, and particularly when the 1954 act was not being basically repealed or amended. Nevertheless, the President vetoed the bill.

It was Republican opponents of the bill who urged its veto, not Democratic supporters.

I can hardly conceive of our Republican colleagues on the other side of the aisle cooperating so readily in obtaining this veto if, as some have tried to say, it was Democratic strategy to get a veto.

Certainly, I am convinced a veto will be politically beneficial to the Democratic Party. Because it emphasizes more than our words could do the underlying philosophy of this administration against effective aid for agriculture.

But there could be no better test of putting farm welfare above political advantage than the serious effort made by a Democratic Congress to enact an effective, workable farm bill in an election year, so the Republican President would not have to campaign for reelection in

quite as bad an economic climate in our rural areas.

We put the well-being of our farmers above our politics. We put the country's interest first. Seldom has there been such solid nonpartisan cooperation in the great midwest farm areas. Yet our guidance is spurned. Our efforts are rejected. And our intelligence—and the intelligence of farmers—is insulted by the President's explanation of his actions.

Apparently, this veto was felt required, whatever the cost in human suffering to our farm population, to perpetuate the myth that "Republicans can do no wrong." They had hewed to a party line based on preconceived notions, and refused to face the facts that now confront them proving they have been wrong.

My deepest regret, of course, is for our farmers themselves.

My next deepest regret is for Republican members of the Senate and House from farm areas, who have been betrayed by the leaders of their own party, and have had exposed for all their constituents to see how little consideration the President gives to the views of his own party's representatives from the great rural States most vitally hit by this action.

Even governors of rural States pleaded with the President to sign the bill. No one said it was a perfect bill. No one said that every part of the bill was the last word in legislative perfection. No piece of legislation is perfect. However, at least the bill approached the goal and the objective of a sounder agricultural economy than we have today.

The crowning climax has been the President's suggestion of an advance payment to farmers this year—Mr. President, I ask Senators to listen to this particularly—the crowning climax has been the President's suggestion of an advance payment to farmers this year if they will agree to participate in a soil bank next year. I have never heard of such a reckless proposal relating to the public Treasury. It is a proposal to advance payments to farmers for doing something next year. What if they do not follow through next year, after they get their advanced payment this year? Are we to have district attorneys and marshals running willy-nilly over the countryside prosecuting farmers?

It is nothing more than a brazenly ridiculous election-year bribe attempt that farmers will resent as insulting.

I think I know our Midwest farmers. Farmers will not like being denied decent prices for what they produce in one breath, and then being promised a charity check for doing nothing in the next breath, in the apparent hope they can be bribed into silence instead of fighting for equity and justice.

No one wants improved farm legislation this year, as quickly as possible, any more than I do. I include myself in the majority of the Senate who want action as quickly as possible.

But the President knows—or should know—that he has killed the best Congress can offer this year.

When this bill was before the Senate, Senator after Senator offered amend-

ment after amendment trying desperately to obtain further improvement for farmers in his particular State. Those men represent farm people. That is what we have legislatures for. We have a representative Government, not a rubber stamp Government.

According to the President's action, we do not even need to be here to represent our people. I suggest that we know a little more about the intimate and detailed needs of our farm economy in our respective areas than some adviser in the White House. There are more advisers at the White House than there have ever been there before, although they are not so good as some have been in the past. The quantity has gone up, but the quality has gone down. Advisors are not always as closely identified with the needs of the people as those who have worked with the people year after year and who are privileged to serve the people as elected officials.

The offering of the many amendments to the farm bill was no idle gesture; it was a sincere effort to take care of the economic problems of the people by representatives who were elected to serve them.

It was not only Democrats who offered such amendments. Republicans offered as many as Democrats did, reflecting their own conviction that farmers of their respective areas needed something better than this administration had to offer.

One of the objections offered by the President to signing the farm bill, for example, was its two-price plans for wheat and rice. It was a Republican Senator, staunch supporter of the President, who in good faith offered the amendment to add a two-price plan for wheat to protect the farmers of his State. And I am sure some of my colleagues on the opposite side of the aisle, if they are not now too embarrassed to tell the truth, could tell us that certain spokesmen for the White House gave them the "green light" to vote for that amendment, assuring them the White House had no objection. Of course, another spokesman for the White House was busy assuring opponents of the amendment at the same time that the White House agreed with them. In other words, the White House was working both sides of the street, and apparently from both sides of the White House. That was only one of the many tragic inconsistencies of the White House on this entire farm policy action.

The members of the press corps know that what I have said is true. They know that one representative of the White House contacted Members of Congress urging them to vote for the two-price plan, saying that the plan was agreeable to the administration.

But the White House knows well that any new attempt to bring soil bank legislation before this Congress would only result in renewed attempts by Members of Congress—by Republicans as well as Democrats—to amend it further to include provisions they feel necessary to take care of the needs of their farmer constituents. When it was all over, we would be right back where we started from.

The new White House appeal for separate soil bank action is merely a hollow political gesture, an unfair political gesture.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. The Senator realizes that if a bill providing for a soil bank were brought before the Congress today—and I hope we can divorce it from what the Senator thinks is a wholly political gesture—and if, as a result of the very solid conviction the Senator from Florida [Mr. HOLLAND], I, and other Senators, have on the subject, we could pass such a soil bank bill, the benefits of such a program would be made available to the farmers.

Mr. HUMPHREY. I believe in the soil-bank program. I am talking about the hue and cry that it can be done only by new legislation, and I ask the distinguished Senator from New Mexico to bear with me a few moments, and I think he will see the merit of my position.

Mr. President, if this administration feels as strongly about the need for a soil-bank program for production adjustment, why has it not put one into effect long ago?

Why did it not accept the proposal we had before it last year?

Why did it not submit budget requests for carrying out such a program under existing authorization.

I will challenge this administration to say it has no authority now to carry out the very same soil-bank program, merely by asking for necessary appropriations and perhaps expanding the appropriation authority.

Why has it deceived farmers and the American people into thinking it could not do a thing without a new act?

Everyone in the Department of Agriculture knows better. The Department of Agriculture's general counsel knows they have general authority for such a program—even specific direction for it. The Secretary of Agriculture knows it, even if the President does not.

Furthermore, Mr. President, they know they have been talking about it within the past 3 days. They know there have been meetings in the Department, and they found that authority. Yet the Secretary of Agriculture does not seem to be able to act. One of the purposes of a soil-bank bill, the sort of bill which we may adopt, is not to rely upon the discretion of the Secretary, but to furnish congressional guidelines as to how it should be done.

The Secretary apparently wants merely to be able to lay blame on the Congress for not giving him a soil bank act, so he can have an excuse on which to hereafter blame all his troubles.

The public is entitled to know these facts. It is wrong for the President of the United States to mislead the people about this soil bank situation.

I respectfully challenge the press to look up the law for itself, if the President or the Secretary of Agriculture will not tell it about it.

Read the Soil Conservation and Domestic Allotment Act, as amended—the law now in full force and effect.

Sections 1 to 6 have been on the statute books since April 27, 1935.

They give the Secretary of Agriculture sweeping powers to carry out intensive conservation efforts, including specific provisions for "changes in use of land."

The third point of the introductory section 1 says:

(3) To cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he (the Secretary) may deem necessary, for the purposes of this act.

Section 6 authorizes to be appropriated for the purposes of this act "such sums as Congress may from time to time determine to be necessary." Not even a limitation. Yet has Secretary Benson or President Eisenhower ever asked for such appropriations?

But if that is not broad enough authority—and competent counsel indicates it is—let us read further in this same act, through sections 7 and 8.

Section 7 (a) says:

It is hereby declared to be the policy of this act also to secure, and the purposes of this act shall also include—

(1) preservation and improvement of soil fertility;

(2) promotion of the economic use and conservation of land;

(3) diminution of exploitation and wasteful and unscientific use of national soil resources;

and, after a fourth point on protection of rivers and harbors against the results of soil erosion, adds:

(5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909-July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio.

Section 8 (a) of the act makes clear this authority exists in force until the end of this year.

Section 8 (b) says:

Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, or the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or (5) any combination of the above.

That is the law on the books. That law was there last year. It was there

when this administration was supposedly desperately struggling to find a way to help the farmers. It was there when the President's message was sent to Congress. It is still on the books.

In layman's language, what does that law provide? It specifically authorizes payments to farmers for changes in land use, so as to avoid the exploitation or wasteful use of land resources for production unneeded for domestic consumption. That is what the soil-bank program will do. That is its whole purpose.

Note, however, that the language is permissive, not mandatory. I say that anyone who reads the language of the Conservation Act and the Domestic Allotment Act, with amendments up to date, going back to as early as 1935, will find in them all the authority which is necessary for effective soil conservation or a soil conservation reserve program.

When my own soil bank bill was introduced, my purpose was to direct the Secretary to carry out such a program, in view of his failure to take such action on his own initiative. If the Secretary wanted such a program, if the President wanted such a program, why was it not included in this year's budget under authority which now exists? Why was it made into a political football?

The veto now makes the answers rather obvious. The administration was more interested in having something to propose with which to counter what Congress might develop than it was in getting a real program started.

To be sure, the existing authorization covers only this year. It would have been a simple matter to extend it, if the administration had asked for it. It has been extended numerous times before, and will likely be extended in any event this year, in order to assure the continuation of our regular agricultural program, now carried on under the act.

The act also includes a limitation of \$500 million for any one year for the sections 7 and 8 provisions; but it would be far simpler for the President and the Secretary to start an immediate program at the beginning of the year, under the existing authority, than it would be merely to ask Congress to double that amount in order to obtain the necessary funds which now appear to be required to do a creditable job.

In view of this existing authority, the President's dramatic appeal for "action" on the soil bank has a hollow ring. Why does not the administration simply ask for a supplemental appropriation, together with a request to expand the authority it now has? Is the administration afraid to do that, because it would mean admitting publicly that it has had such authority all along, and could have started the program January 1, instead of using the program as a mere political device to talk about? It is time the President answered a few of these questions. If he is too busy, or if he is away, let the Secretary of Agriculture answer them.

All the huckstering the administration's spokesmen can do will not change the simple fact that President Eisenhower, by his own decision—regardless of who may have guided it—has taken almost a \$2 billion slice out of farm income for this year.

Despite the belated gestures of the President in offering to give back pennies for the dollars he is taking away from the farmers, the fact remains that America's farmers will get about \$2,416 million less this year than would have been conservatively anticipated under the measure which the President vetoed.

This figure is not an idle guess. It is the considered judgment of competent economists who have been working on these estimates for me ever since the President vetoed the bill. It is my intention to substantiate that figure with tabulations from which it was compiled.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD tabulations and statistical charts which will furnish the background for my statement that the veto has cost the American farmers not less than \$2,416 million on estimated production of this year's crops, according to the Department of Agriculture's own estimates.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. Reserving the right to object, and, of course, I shall not object, would the distinguished Senator from Minnesota indicate to the Senate, so that we might know what reliance may be placed upon the charts, whether the statistics were compiled by the Bureau of Labor Statistics, by the Treasury Department, or by the Department of Agriculture.

Mr. HUMPHREY. No; they were not; they are tables which were developed by three members of my own staff and myself, together with representatives of the National Farmers Union, and by economists who have helped me.

One of those whose assistance I received formerly worked in the Department of Agriculture. My own administrative assistant worked for many years in the Department of Agriculture.

Mr. KNOWLAND. I wish to thank the Senator from Minnesota. When Senators examine the tables in the RECORD, they will know what the background of them is.

Mr. HUMPHREY. The tables reveal simple arithmetic. The Department of Agriculture has estimated the crop production for the coming year. The Department of Agriculture knew what the price support levels would have been under the Senate-House bill. The Department of Agriculture knew what the price support levels were prior to the President's veto message. The Department of Agriculture knows what the price support levels will be as announced in the President's veto message. All that is necessary is to put them down: First, the price support levels under the 1954 act, before Eisenhower gave them a little political jump; the price support levels under the conference report; the production estimates, which can be arrived at by taking the amount per pound or per bushel and multiplying it by the number of bushels or pounds under the 1954 flexible price support schedule, which was prevailing until Mr. Eisenhower spoke on television and radio Monday night. Place those figures

alongside those which were provided in the bill, and we will come fairly close to the estimates.

There are other factors involved which are explained in the tables.

Mr. President, I again ask unanimous consent to have printed at this point in the RECORD 13 tables comparing the farm income-improving provisions of H. R. 12, the Agricultural Act of 1956, which the President vetoed, with the same provisions of both the pre- and post-veto Eisenhower programs—the programs which the President originally sent to Congress—and the makeshift program he is now offering in his veto message.

The Eisenhower preveto program was computed on the basis of the announcements of Secretary of Agriculture Benson and the recommendations in President Eisenhower's 1956 message on agriculture. The postveto Eisenhower program is the program announced by the President at the time he vetoed H. R. 12. The source of the figures and the bases of calculations are shown in appropriate footnotes.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—Summary table of increased farm income improving provisions and added value of CCC stocks of H. R. 12 (Agricultural Act of 1956) compared with Eisenhower proposals

Provision	Reference table	[Millions of dollars]	
		Veto announcement	Original proposal
Milk supports.....	II	0	\$108
Conservation reserve.....	III	\$700	510
Wheat provisions.....	IV	230	175
Cotton provisions.....	V	230	275
Peanuts.....	VI	12	17
Corn (commercial area).....	VII	768	248
Corn (noncommercial).....	VIII	127	146
Grain sorghum.....	IX	38	38
Oats.....	X	116	116
Barley.....	XI	32	32
Rye.....	XII	4	4
Hogs, cattle.....	XIII	150	150
Total.....		2,416	1,819

TABLE II.—Income from sale of milk in 1956-57

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Support price per hundredweight.....	\$3.25	\$3.25	¹ \$3.15
Farm marketings (billion pounds).....	108	108	108
Gross income from milk sales (million dollars).....	² \$3,510	² \$3,510	² \$3,402
Less than H. R. 12 (million dollars).....	0	0	\$108

¹ Amended by Secretary of Agriculture.

² Understates value of total sales since all milk is valued at manufacturing milk price, whereas about ½ goes into fluid retail sales. However, the latter are usually governed by State or Federal milk marketing orders or regulations with formulas basing fluid milk prices on manufacturing milk market averages.

TABLE III.—Increased income from conservation reserve

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Authorized appropriations (millions of dollars).....	\$450	0	\$350
Estimated cut in production (percent) ¹	3	0	2
Estimated surplus at 1955 support prices (percent) ²	2	0	2
Additional cut in supply (percent).....	1	0	0
Price raising effect (percent).....	³ 6	0	0
Production index (percent) ⁴	97	0	98
Price index (percent) ⁵	106	0	100
Gross income index (percent) ⁶	103	0	98
Farm gross income (millions of dollars) ¹	\$8,446	\$8,196	\$8,036
Reserve payments (millions of dollars).....	\$450	0	\$350
Total gross (millions of dollars).....	\$8,896	\$8,196	\$8,386
Less than H. R. 12 (millions of dollars).....	0	\$700	\$510

¹ Of crops not under acreage reserve.

² Estimate used by Secretary of Agriculture Benson in speech at Moorhead-Fargo as 1953 surplus at 1955 prices. A cut of production of this magnitude would not raise prices above deplorably low support prices; the only effect would be to stop flow of commodities to CCC. Only production cuts above this 2 percent would raise farm price above the support level.

³ Based upon research results of Drs. Karl Fox and Willard W. Cochrane, professors of agricultural economics at Iowa State College and University of Minnesota College of Agriculture, respectively.

⁴ Production without program equals 100.

⁵ Price without program equals 100.

⁶ Gross income without program equals 100.

TABLE IV.—Wheat

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Parity price, per bushel.....	¹ \$2.51	² \$2.38	² \$2.38
Support percentage.....	90	84	76
Support price, per bushel.....	\$2.25	³ \$2	¹ \$1.81
CCC sales price percentage.....	⁴ 105	105	⁴ 100
Market price, per bushel.....	⁴ \$2.39	\$2	⁴ \$1.81
1955 production (million bushels).....	938		938
Cut by acreage reserve (million bushels).....	⁵ 322	0	⁵ 417
1956 production (million bushels).....	616	938	521
Gross income from wheat (million dollars).....	\$1,472	\$1,876	\$943
Operating expense (million dollars).....	⁶ \$982	⁶ \$1,250	\$628
Net income (million dollars).....	\$490	\$626	\$315
Reserve payments (million dollars).....	\$375	0	\$375
Total net income from wheatland (million dollars).....	\$865	\$626	\$690
Less than H. R. 12.....		\$239	\$175

¹ Old parity.

² Transitional parity.

³ Announced.

⁴ Both H. R. 12 and Eisenhower original proposal would pay wheat farmers approximately \$375 million not to grow wheat. This would cut annual production below annual market needs and thus require market to buy CCC stocks. Under the circumstances the CCC sale price sets the market price. Eisenhower initially recommended sales at market but backed down on that after thunderstorm of protests and substituted 100 percent of support price. Existing law, continued in force by H. R. 12 sets 105 percent of support as CCC minimum sale price.

⁵ \$2.26 times 50 percent (estimated payment per bushel cut) equals \$1.13; \$375 million divided by \$1.13 equals 322 million bushels.

⁶ \$1.81 time 50 percent equals \$0.91; \$375 million plus 91 equals 417 million bushels.

TABLE V.—Cotton

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal ¹
Parity price official grade, per pound.....	¹ \$0.352	\$0.348	¹ \$0.348
Adjustments for 3/8-inch Middling, per pound.....	⁴ \$0.02	\$0.02	⁴ 0
Parity price, average grade, per pound.....	⁴ \$0.372	\$0.368	⁴ \$0.348
Support percentage.....	90	82½	81
Support price, average grade, per pound.....	\$0.337	\$0.304	\$0.282
CCC sales price percentage.....	¹ 105	105	¹ 100
Market price, average grade, per pound.....	¹ \$0.354	\$0.304	¹ \$0.282
1956 production with acreage reserve (million bales).....	13.2	13.2	13.2
Cut in production by acreage reserve (million bales).....	¹ 3.6	0	¹ 4.3
1956 production (million bales).....	9.6	13.2	8.9
Gross income from cotton sales (million dollars).....	\$1,795	\$2,006	\$1,254
Operating expenses (million dollars).....	\$1,196	\$1,337	\$930
Net income from sales (million dollars).....	\$599	\$669	\$324
Acreage reserve payment (million dollars).....	\$300	0	\$300
Total net income (million dollars).....	\$899	\$669	\$624
Less than H. R. 12 (million dollars).....	0	\$230	\$275

¹ Offers and askings included in the "Dear George" (Aiken letter signed by Secretary Benson).

² Old parity.

³ Modernized parity.

⁴ Existing law, continued in force by H. R. 12, specifies that 3/8-inch Middling shall be the official grade for parity price and support purposes; this adds 2 cents per pound. Eisenhower recommended that repeal of this provision.

⁵ Acreage reserve cut in production would require market to buy at CCC sales prices. Existing law, continued in force by H. R. 12, set this at not less than 105 percent support. With the market partially dependent on CCC, the CCC sales price would set market price.

⁶ 0.337 times 500 equals \$168.50; \$168.50 divided by 2 equals \$84.15; \$300 million divided by \$84.25 equals 36 million bales.

⁷ 282 times 500 equals \$141; \$141 divided by 2 equals \$70.50; \$300 million divided by \$70.50 equals 4.3 million bales.

TABLE VI.—Peanuts

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Parity price, per pound.....	¹ \$0.14	² \$0.13	² \$0.13
Support percentage.....	90	82½	75
Support price.....	\$0.126	\$0.107	\$0.098
1955 production (million pounds).....	1,610	1,610	1,010
Cut by acreage reserve (million pounds).....	³ 111	0	0
1956 production (million pounds).....	1,500	1,610	1,610
Gross income from peanuts (million dollars).....	\$189	\$172	\$157
Operating expenses (million dollars).....	\$126	\$114	\$104
Net income (million dollars).....	\$63	\$58	\$53
Acreage reserve payment (million dollars).....	\$7	0	0
Total net income (million dollars).....	\$70	\$58	\$53
Decrease below H. R. 12 (million dollars).....	0	\$12	\$17

Old parity.

² Transitional parity.

³ 126 divided by 2 equals 0.063; \$7 million divided by 0.063 equals 111 million pounds.

TABLE VII.—Corn (commercial-corn area)

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Parity price.....	¹ \$1.82	² \$1.73	² \$1.73
Support percentage.....	90	81	81
Support price.....	\$1.64	\$1.50	\$1.40
CCC sales price percentage.....	105	100	100
Market price.....	³ \$1.72	\$1.40	⁴ \$1.40
1955 production (million bushels).....	2,400	2,400	2,400
Cut by acreage reserve (million bushels).....	350	0	430
1956 production (million bushels).....	2,050	¹ 1,800	1,970
Gross income from corn (million dollars).....	\$3,506	\$2,700	\$2,758
Operating expenses (million dollars).....	\$2,338	\$2,000	\$1,838
Net income from sales (million dollars).....	\$1,168	\$700	\$920
Acreage reserve payment (million dollars).....	\$1,300	0	\$300
Total net income (million dollars).....	\$1,468	\$700	\$1,220
Less than H. R. 12 (million dollars).....		\$768	\$248

¹ Old parity.

² Transitional parity.

³ Acreage reserve would cut production sufficiently that market would have to draw on CCC stocks at 105 percent of support sales price.

⁴ Acreage reserve would cut production sufficiently that market would have to draw on CCC stocks at 100 percent of support sales price.

⁵ Production estimate based on 43 million acre allotment announced by Secretary compared with 51 million acre allotment included in H. R. 12.

TABLE VIII.—Corn in noncommercial areas

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Parity price, per bushel.....	\$1.82	\$1.73	\$1.73
Support percentage.....	¹ 76.5	² 60.7	60.7
Support price, per bushel.....	¹ \$1.40	³ \$1.12	¹ \$1.05
Market price.....	⁴ \$1.64	³ \$1.12	\$1.05
1955 production (millions of bushels).....	785	785	785
Cut by H. R. 12 (millions of bushels).....	⁵ 118	0	0
1956 production (millions of bushels).....	667	785	785
Gross income from corn (millions of dollars).....	\$1,084	\$879	\$824
Operating expenses (millions of dollars).....	\$722	\$586	\$550
Net income from corn sales (millions of dollars).....	\$362	\$293	\$274
Acreage reserve payments (millions of dollars).....	\$58	0	0
Total net income from corn land (millions of dollars).....	\$420	\$293	\$274
Less than H. R. 12.....		127	146

¹ 85 percent of 90 percent of old parity price of corn.

² 75 percent of 81 percent of transitional parity price of corn.

³ 75 percent of \$1.50 announced in veto message.

⁴ Owing to operation of acreage reserve for commercial corn and other feed grains, noncommercial areas would become deficit areas and need to import corn thus raising local market price to at least equal the commercial area price.

⁵ 15 percent cut in acres required by law.

TABLE IX.—Grain sorghum

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Support price, per hundredweight.....	¹ \$2.18	\$1.80	² \$1.80
Market price.....	³ \$2.30	\$1.80	\$1.80

TABLE IX.—Grain sorghum—Continued

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
1955 production (million bushels).....	233	233	233
Cut by H. R. 12 (million bushels).....	⁴ 47	0	0
1956 production (million bushels).....	186	233	233
Gross from grain sorghum (million dollars).....	\$428	\$419	\$419
Operating expenses (million dollars).....	\$286	\$280	\$280
Net income from sales (million dollars).....	\$142	\$139	\$139
Acreage reserve payments (million dollars).....	\$35	0	0
Total net income (million dollars).....	\$177	\$139	\$139
Less than H. R. 12 (million dollars).....	0	\$38	\$38

¹ 85 percent of modernized parity.

² Announced by Secretary of Agriculture Benson.

³ With 15-percent cuts in feed grain production, feed grain prices will rise to competitive relation with corn.

⁴ Estimated 20 percent cut from 1955 acreage.

TABLE X.—Oats

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Support price, per bushel.....	¹ \$0.72	² \$0.59	² \$0.59
Market price, per bushel.....	³ \$0.80	\$0.59	\$0.59
1955 production (million bushels).....	1,576	1,576	1,576
Cut required by H. R. 12 (million bushels).....	⁴ 236	0	0
1956 production (million bushels).....	1,340	1,576	1,576
Gross from oats (million dollars).....	\$1,072	\$930	\$930
Operating expenses (million dollars).....	\$714	\$620	\$620
Net income from sales (million dollars).....	\$358	\$310	\$310
Acreage reserve payments (million dollars).....	\$58	0	0
Total net income.....	\$416	\$310	\$310
Less than H. R. 12.....	0	116	116

¹ 85 percent of modernized parity.

² Announced by Secretary of Agriculture Benson.

³ Owing to cut in feed grain production market prices would be competitive with corn at 90 percent of parity.

⁴ 15 percent cut in acreage.

TABLE XI.—Barley

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Support price, per bushel.....	¹ \$1.13	² \$0.93	² \$0.93
Market price, per bushel.....	³ \$1.24	\$0.93	\$0.93
1955 production, million bushels.....	391	391	391
Cut required by H. R. 12, million bushels.....	⁴ 59	0	0
1956 production, million bushels.....	332	391	391
Gross from barley, million dollars.....	\$412	\$364	\$364
Operating expenses, million dollars.....	\$288	\$242	\$242
Net income from sales, million dollars.....	\$124	\$122	\$122
Acreage reserve payment, million dollars.....	\$30	0	0
Total net income, million dollars.....	\$154	\$122	\$122
Less than H. R. 12, million dollars.....	0	\$32	\$32

¹ 85 percent of modernized parity.

² Announced by Secretary of Agriculture.

³ Competitive with corn level in view of acreage cuts in feed grains.

⁴ 15-percent cut in acreage.

TABLE XII.—*Rye*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Support price, per bushel.....	¹ \$1.41	² \$1.16	² \$1.16
Market price, per bushel.....	³ \$1.50	\$1.16	\$1.16
1955 production, million bushels.....	29	29	29
Cut required by H. R. 12, million bushels.....	44	0	0
1956 production, million bushels.....	25	29	29
Gross from rye, million dollars.....	\$38	\$34	\$34
Operating expenses, mil- lion dollars.....	\$13	\$11	\$11
Net from sales, million dol- lars.....	\$25	\$23	\$23
Acreage reserve payment, million dollars.....	\$2	0	0
Total net income, million dollars.....	\$27	\$23	\$23
Less than H. R. 12, million dollars.....	\$0	\$4	\$4

¹ 85 percent of modernized parity.² Announced by Secretary of Agriculture Benson.³ Competitive market with wheat and corn whose acreage is deeply cut by acreage reserve.⁴ 15-percent cut required by H. R. 12.TABLE XIII.—*Hogs, cattle, and other
perishables*¹

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto an- nounce- ment	Original pro- posal
Added sec. 32 funds (mil- lion dollars).....	\$500	0	0
Farmers share (percent) ¹	30	30	30
Increased hog and cattle, gross (million dollars).....	\$150	0	0
Less than H. R. 12 (mil- lion dollars).....	0	\$150	\$150

¹ This table relates only to the direct price support purchases of meat products from the \$500 million increase provided by H. R. 12 in appropriation for sec. 32 funds. It takes no account of the income-improving effect upon livestock producers of a reduction in supply and increase in price of feed grains.

Mr. HUMPHREY. Mr. President, I cannot help digressing to say that it somewhat amuses me when I recall that the administration prides itself on its businesslike efficiency. The administration really has made considerable political capital from its alleged businesslike efficiency. This would lead one to believe that when the administration prepares statistics, when it makes analyses of economic matters, it comes up with prompt answers which are efficient and accurate.

Yet, I must say again that I would like to have an explanation from the Secretary of Agriculture and the President of the new economic factors which they have found between last Friday, when the Department closed its doors for the weekend, or since last Saturday, if the Department worked on Saturday, and Monday, when the President issued his veto message; because the price of one commodity after another was lifted overnight under support levels by the sheer announcement of the President, who says he believes in a free economy, in the law of supply and demand; who says he is efficient and that his administration is efficient.

I repeat: Either the Secretary of Agriculture did not know what he was doing

last week, and therefore should be dismissed this week; or, if the Secretary knew what he was doing last week, and had honest answers, under the 1954 Act and the criteria established therein, to questions relating to the establishment of price support levels, there is only one other explanation, namely, that the President must have picked figures out of the air to justify his veto, and to pump money back into the economy quickly, without any legislative power or directive.

Furthermore, the advance-payment idea is one of the most unusual programs of which I have ever heard. It is a program of advance payments for something that has not even, as yet, been agreed to by the farmers who will participate.

Mr. President, I wish to say, in reply to the Senator from California, the able minority leader, that the sources of the figures are to be found, for example, in the reports of the Agricultural Marketing Service, or the Commodity Credit Corporation, or the indexes reports received by the Congress; and also, for example, based on results of research by Dr. Karl Fox and Dr. Willard W. Cochran, professors of agricultural economics at Iowa State College and University of Minnesota College of Agriculture, respectively.

Mr. President, I have completed my remarks, with the exception of yielding for the purpose of questions.

I now yield to the Senator from Alabama.

Mr. SPARKMAN. I desired to ask the Senator a question based on the President's veto message, which reads, in part:

Farmers are not interested in price alone. What they really want for their families is more net income.

In his veto message and in his speech following the message the President recommended that Congress enact quickly a soil-bank program, nothing else.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. Let me ask the Senator this question. As a matter of fact, does the soil-bank program, standing alone, increase net income? Rather, does it not depress the income?

Mr. HUMPHREY. At best, it is replacement income.

Mr. SPARKMAN. At best.

Mr. HUMPHREY. At best, it is replacement income.

Mr. SPARKMAN. But even for it to be replacement income, we must assume the farmer will get out of participation in the program as much as he would have gotten out of tilling the same number of acres. Is that correct?

Mr. HUMPHREY. There is one other factor, namely, that if the soil-bank program could be widely enough adopted, and sufficient acreage could be cut back at one time so that the amount of land in production could be limited, it would have the indirect effect of lifting prices.

Mr. SPARKMAN. But the program has to be projected one crop ahead, in order to accomplish that purpose. Is that not correct?

Mr. HUMPHREY. That is true.

Mr. SPARKMAN. In other words, the immediate result is not to increase net income. Is not that a strong argument in favor of many of the other provisions which were carried in the bill the President vetoed?

Mr. HUMPHREY. I say "Yes." The Senator from Florida and the Senator from New Mexico, who are now present, both advanced arguments for the compulsory type of soil bank, namely, that if farmers were to partake of the benefits, they would have to participate in the soil-bank proposal. I say to them that the administration did not want a compulsory program. It wanted a voluntary program. It said the incentive payments would be big enough to get farmers to come into the program. So the Anderson-Holland proposal was not accepted in committee. It was accepted on the floor, after Senators heard debate about it.

Mr. SPARKMAN. But it was modified in conference.

Mr. HUMPHREY. I may have been misguided, although I think not; but as an individual and as one Senator, I submit that one reason why I voted for higher supports, with soil-bank provisions, was that the benefit payments for soil-bank participation were to be at 50 percent of the support level. When support levels are decreased, the total payments are decreased. If there were to be a soil bank program on a voluntary principle—and it is highly debatable whether that is desirable, but that is what the administration wished—with incentives or benefits, then the benefits would have to be increased, and the only way the benefits could be increased, under the administration's own proposal, would be to get the prices up. I say that theory and the logic behind it can lead to but one conclusion, namely, that there was a bit of hypocrisy involved, because if lower price supports are going to be received, lower benefits are going to be received, and if benefits of soil-bank participation are lowered, participation will be lowered.

Mr. SPARKMAN. And net income will be lowered.

Mr. HUMPHREY. If one were really for the Anderson-Holland proposal, then he ought to be for higher supports to encourage soil-bank participation, because that is the only way it would work.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I have been following with interest and appreciation the remarks of the distinguished Senator from Minnesota. I want to bring him good news and cheerful news in at least one respect, namely, that the soil bank bill today introduced by the Senator from Florida for himself, the Senator from New Mexico, and the Senator from Mississippi, does contain the compulsory features. I understand some Senators on the other side of the aisle have joined us, whom we are happy to have associated with us. The Senator from Florida is glad to hear that the Senator from Minnesota now favors that feature.

Mr. HUMPHREY. I said I thought it had considerable merit, and I am prone

to support it if the administration can be kept from recommending it, which I say because I have found the administration's recommendations to be completely unreliable. If the Senator can present it on his own, perhaps he will get my support.

Mr. HOLLAND. I am sorry the Senator says only that he is coming to the point where he is almost persuaded. I hope before long he will be completely persuaded and will join us. I want to assure him there is a place on the team for him. We shall need his help in pulling the wagon. We shall welcome his signature on the bill, if he desires to join in sponsoring it.

Mr. HUMPHREY. I thank the Senator. The proposal reminds me—not this particular proposal, but as it is related to the total farm program—of one who was invited to participate in a canoe trip, but then was told, "We are short of canoes, but we have peanut shucks." We cannot sail in what the Senator suggests. It is a tidbit of the total program.

As one who has learned the hard way that one does not always get what he wants, or should get, or needs, perhaps we shall have to do the best we can to satisfy the immediate needs of the farmers, the very limited needs, not all of them. If the President is really so anxious—and I gather there is a frenzy of activity in the White House and they can hardly wait to get out of town—if they really want to do something, there is already a law on the books to authorize them to start a soil-bank program.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I wish to go further and commend the distinguished Senator for having himself introduced a soil-bank bill last year, but I regret to say there were no compulsory features in the bill. I hope he will reconsider his position and join us in supporting the compulsory features. I think the distinguished Senator last year recognized what others of us have recognized this year, that the preferred way to approach the problem, big as it was, which involved \$1,200,000,000 a year, was to ask for authorization from Congress for this particular effort.

I call the Senator's attention to the fact that we have actually a chance to pass on a budget in acting on appropriations. The Senate Appropriations Subcommittee on Agriculture, of which I happen to be a member, is now sitting. If the Senator has a program for a \$1,200,000,000 program which he would like to add to the budget, that avenue is open to him. It was open to him last year. I think the Senator was showing his good sense when he approached the matter last year by offering an authorization bill. I am sorry the bill was not considered or approved then, with any changes that may have been made, including the feature of compulsion, as to which I hope the Senator will join us.

The point I bring to the Senator's attention is that this administration has submitted to the Congress, as every administration must under the law, a budget showing what amount is ex-

pected to be spent under the legislation which is now on the books, to which the distinguished Senator has referred, and that we have from year to year—including last year, and also including this year, by means of action already taken at the other end of the Capitol—approved those budgets rather closely. It seems to me that the distinguished Senator from Minnesota and all the others of us must realize that before entering into a program involving additional expenditures—expenditures six times as large as the normal expenditures for the program which now is on the statute books—it was wise and it was good government for the administration to seek legislative approval, and that it would have been regarded as almost utter folly for this administration or the preceding one or any other administration to seek to proceed with such a program without obtaining legislative approval of it, particularly when so many of the features of the program were additions to existing law—as, for instance, the features of the acreage reserve program in the soil bank, which involves making payments by way of inducement.

Upon a careful reading of the bill now on the statute books, I have not been able to find in it any provisions which would have justified action on the part of executive officers, without prior approval by the Congress, in paying out more than the product involved was worth, in order to get farmers to agree to abandon production for 1 year on their particular land; and I think the distinguished Senator from Minnesota will agree with me that there are in the measure which Congress passed, in the case of the soil-bank program, features which not only greatly transcend in amount, but also greatly transcend in their details and in respect to some of the objectives sought to be carried out, those embraced in the present law. Does not the Senator from Minnesota agree with those statements?

Mr. HUMPHREY. Not fully, I say most kindly.

First, I wish to say that under the Soil Conservation and Domestic Allotment Act, as amended, there is authority to engage in a much larger soil conservation program than the one the administration is engaging in at the present time. I believe that under sections 7 and 8 of that act there is a \$5 million authorization. So the administration could have requested an expanded authorization. The smart lawyers in the executive departments should know what the present authorization is. The departments have large staffs of so-called experts who should be familiar with those details.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me at this point?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I ask the Senator from Florida to wait a moment, please.

Furthermore, Mr. President, let me say that insofar as the soil-conservation

program is concerned, if I am not mistaken the Appropriations Committee from time to time, at the request of the Department of Agriculture—and after holding hearings for the purpose, and obtaining testimony from the Department of Agriculture—has included in the appropriation bills, even though such provisions may have amounted to legislative language, all kinds of directions regarding the use of funds. Let me say most respectfully to the Senator from Florida that if the Secretary of Agriculture believes that this matter is so urgent and that time is wasting—and let me point out that we shall not be able to report such a bill in several days—at least at long last the Department of Agriculture knows a little about soil conservation and the soil-bank program. Apparently the Department did not know anything about them on January 12, because I have read from the testimony given before our committee, where both the Secretary of Agriculture and the Under Secretary of Agriculture said they were unprepared with the details of such a program. But now they are prepared with the details; and I say that many of those details can be worked out under existing law. I say, further, that the Department of Agriculture is considering the matter right now.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me at this point?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I agree with the Senator from Minnesota that the Department of Agriculture has within it some able men. But I am not willing to admit that the Department has any abler men than the Senator from Minnesota or the Senator from New Mexico [Mr. ANDERSON] or many other Members of this body. I call the attention of the Senator from Minnesota to the fact that last year, when he thought some provision should be made for this program, he did not request that such a provision be handled by the Appropriations Committee—and I think he was wise in taking that position—and he did not offer on the floor of the Senate an amendment to achieve soil-bank legislation by way of indirection—and I think he was wise in that decision.

Mr. HUMPHREY. But let me say I supported other appropriations.

Mr. HOLLAND. And the Senator from Minnesota had not attempted to proceed by indirection in this instance.

Inasmuch as I should now be in attendance at the committee session, I must make my remarks rather brief; but I wish to say that I believe the approach adopted by the Senator from Minnesota, in proposing specific legislation, was the wise and the only proper one, in view of the large size of the program and the fact that it called for a departure from existing programs. I would not agree that by means of setting up a committee and later by means of action taken at the suggestion of the Appropriations Committee, a program involving \$1,200,000,000 and covering many details which certainly are not covered by existing law, should have been initiated.

I think the best way the Senator from Minnesota can accomplish his purpose is for him to jump right in with the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Florida, and other Senators who now are supporting proposed soil-bank legislation by itself, and to help to have it passed by the Congress speedily and sent to the President for his signature. So I extend the warmest possible invitation to my friend, the Senator from Minnesota, to join in that effort.

Mr. HUMPHREY. Mr. President, I realize the warmth of the invitation, and I thank the Senator from Florida.

Mr. President, I conclude my remarks by saying that, first, I introduced the soil-bank bill because I felt that it was essential to have permanent, mandatory legislation on that subject.

I am frank to say that as a Member of the Senate I myself did not fully appreciate the significance of all the language in the act of 1935, as amended, as regards conservation and what we term the Soil Conservation and Domestic Allotment Act. I do not profess to be a lawyer or an expert on agricultural law; but I say that the Department of Agriculture is simply loaded with such lawyers and experts, who supposedly know what is in the law.

Furthermore, Mr. President, my argument is that at first this administration was opposed to a soil bank, but suddenly the administration got a passion for it, when it felt the soil bank was popular. And now the administration has a super-passion for the soil bank, when it thinks it can cause trouble for others by taking that position.

I repeat, that under the existing act of 1935, as amended, there already is authority for the administration's soil-bank proposal, or at least authority for many phases of it. Under existing law, the administration could have doubled the payments proposed to be made to farmers for taking crops out of production. Specific language on that point is to be found in the existing law. But the administration, which had complained about the soil bank when it was proposed by others, did not even know that under existing law there was already authority for the establishment of a soil bank. Furthermore, when others proposed the creation of a soil bank, by means of appropriate legislation, the administration said, "No," and said that a soil bank would be too expensive. At that time the administration thought it would cost \$400 million to establish a soil bank, and at that time the administration thought a soil bank would be too expensive.

Now the administration says that \$1,200,000,000 is needed for a soil bank, and that such a soil bank will not be too expensive. Instead of being too expensive, Mr. President, the administration now wants \$1,200,000,000 made available at once for a soil bank. In fact, Mr. President, the administration wants to get a soil-bank program into operation so quickly that it is willing to send out checks for payments in connection with the soil bank before anyone agrees to participate in the soil bank. That would be exactly like having an insurance com-

pany make payments on an accident insurance policy before the policy was taken out, or before an accident occurred. An insurance company which attempted to operate on that basis would not be in business very long, Mr. President. I have never heard of so ridiculous a proposal.

This administration is supposed to have financial and fiscal responsibility; but this proposal by it is the epitome of irresponsibility. This administration says it has "bold, new programs;" but it did not even know what was included in the old program, much less in the new one. The administration is like the man on the flying trapeze: It flies through the air with the greatest of ease, and then purloins someone else's proposals.

In 1954 the administration made use of surplus set-asides, even though previously it had objected to them; when they were called for in a bill which previously was before the Congress, the administration opposed them bitterly. In short, when anyone else advocated them, the administration branded the attempt as "economic opportunism."

Mr. President, I am sick and tired of such attitudes on the part of the President and the Secretary of Agriculture. I am sick and tired of having statistics misused by the President and his Secretary of Agriculture. I say they did not understand what was in the farm bill the President vetoed; and they have not been willing to work with the Congress on an effective program. Instead, they balk and drag their feet and refuse and become stubborn. Today we find that the very proposals which they proclaim as the salvation of the economy are the same as proposals which 5 months ago they denounced—the very proposals with respect to which they had no details to offer as late as the middle of January 1956. This is politics at its best—or worst. Look at it either way. At best, it is shabby politics. The farmers will see through it. They will ask questions. The wheat farmers are going to ask, "Why was the price support level 76 percent of parity in the first 2 weeks of April, but 84 percent afterward?" Why did the dairy farmer receive less for his milk just a few days ago than he will receive in line with the President's announcement in the veto message?

Perhaps we have done some good in the Senate by this fight. Perhaps, at long last, we have aroused the President to a realization that he made some commitments in his campaign in 1952. Perhaps, at long last, we have aroused Mr. Benson to understand that there is trouble in rural America. Perhaps, at long last, he realizes that a price of \$3.15 a hundred for milk is unfair. Perhaps, at long last, he will understand that \$1.81 for wheat under price supports is unfair. Perhaps he will realize that he cannot play footloose and fancy free in the Senate, "wheeling and dealing" on corn, cotton, and other crops.

Consider the announcement of the President of \$1.50 a bushel for corn in commercial areas, with an acreage allotment of 43 million acres. If the President does not know that that is unworkable, someone should inform him. Ac-

cording to the testimony, with 49 million allotted acres of corn, there was very limited compliance with the program, and very limited participation.

Fifty-one million acres was the recommendation of many of the administration's own statisticians. Now they are to have an acreage allotment of 43 million acres, with a price of \$1.50 a bushel in the commercial corn area, with the remainder at a price ranging from about \$1.25 to \$1.28. This Senator, who comes from a State which produces a great abundance of agricultural commodities, makes the statement at this time that the price of corn in the Midwest will be from \$1.25 to \$1.28. The farmer will find out about the price. The program advanced by the administration is not only unworkable; it is uneconomic and unjustifiable.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 1736) to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations.

The message informed the Senate that, pursuant to the provisions of Senate Concurrent Resolution 64, 84th Congress, the Speaker of the House of Representatives appointed himself, Mr. McCORMACK, of Massachusetts, and Mr. MARTIN, of Massachusetts, as members of the joint committee to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 21st day of January 1957, on the part of the House.

The message announced that the House of Representatives having proceeded to reconsider the bill (H. R. 12) to provide an improved farm program, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, and it was resolved that the said bill do not pass, two-thirds of the House of Representatives not agreeing to pass the same.

REVIEW OF FOREIGN POLICY—IV— A CONSTRUCTIVE POLICY IN THE MIDDLE EAST

Mr. MANSFIELD. Mr. President, last January I began a series of discussions in the Senate on various aspects of the international situation. I have since outlined the issues, as I understand the issues, which confront us in southeast Asia and in the north African crisis.

When I began these discussions last January, I stated:

If the national interest requires us to rise above political considerations in matters of foreign policy, it also requires us to undertake a vigorous review of that policy. It requires us to make an unrelenting search for facts and ideas which may guide us in dealing with difficulties abroad.

It is in that spirit that I address the Senate.

The need for constant Senate review of policy is nowhere more clearly evident

In a similar vein, the American people need to have a clearer understanding of the part which American oil production in the Middle East has played in the situation there. The press is full of reports as to how royalties paid in advance have been used in political manipulations to finance preparations for war, and in other dubious ways. We need the facts in this situation, and Congress has the power to get them if necessary.

We also have an obligation to the investors in those American enterprises in the Middle East. Measures of policy which may have to be taken could entail heavy sacrifices on their part, and the United States Government should be prepared to ease these sacrifices.

Fourth. We should reexamine now our need for bases and alignments in the Middle East, in the light of shifting Soviet tactics and the progress in weapons development. We should consider abandoning those which may no longer be essential or which can be retained only on dishonorable terms.

Fifth. We should develop a new concept of aid programs in the Middle East. It should be aid after, not before, it is clear that any given nation means to turn from the path of war to the path of peace, and we ought not hesitate to shut off aid entirely if it is evident that war is the objective of any state in that region. Nor should fear of what the Soviets may do or not do in this matter cause us to swerve from a determination to supply aid in this pattern. Least of all can we have aid policies based on a craven submission to blackmail in the mistaken belief that it will buy peace.

Sixth. We should recognize, in the Cyprus situation, that the present crisis in the Middle East requires the presence of British military power on the island. We can do so without prejudicing the claims—and the rights—of the Cypriotes to self-determination.

I believe this country's friendship and behavior over the past decade toward Greece, Turkey, and Britain gives us the right to enjoin restraint on them in the Cyprus question. Even more, our common dedication to NATO requires that we do so.

The positive measures which I have been discussing, Mr. President, contain only the outlines and suggestions of a constructive policy. They concern largely the pressure from without which is necessary to hold in check the tensions in the Middle East. There is still the whole range of questions which must be dealt with to ease the tensions from within. I believe, however, that whatever influence this country can exert on those long-range problems will be more usefully and effectively felt once our own position is made clear.

Mr. President, let me say in closing that I do not underestimate the fearful responsibilities which fall to the President in the Middle Eastern crisis. Under our system of Government, they can fall nowhere else, not even in the National Security Council, not in the Senate, and not in the Congress. The President can come to the legislative branch for reassurance, if he feels that he requires it, as he did in the case of Formosa. In the end, however, the responsibility

for the execution of our foreign policy is his. He cannot share that responsibility of his office without doing violence to the Constitution, and without jeopardizing the safety of the Nation. The Senate can advise—and ultimately its consent is essential—but it is for the President to act. If he acts with clarity, with firmness, within the framework of total interests of the United States, we shall have a constructive policy for peace in the Middle East. It will be a policy that shall not lack for support from the American people.

Mr. President, I yield the floor.

THE CITATION OF WENDELL H. FURRY FOR CONTEMPT OF CONGRESS

During the delivery of Mr. MANSFIELD's speech,

Mr. McCARTHY. Mr. President, will the Senator from Montana yield to me so that I may make an unusual request? I have just left a hearing of the Permanent Subcommittee on Investigations, and the chairman has asked me to return immediately so that a quorum may be maintained.

Mr. MANSFIELD. I will yield to the Senator for a question.

Mr. McCARTHY. The chairman of the subcommittee has asked me to return immediately so that a quorum may be maintained. I have a three-page explanation to make with regard to my refusal to testify in a contempt case. I very much dislike to make this request of the Senator from Montana, but I would very much appreciate the Senator's yielding to me.

Mr. MANSFIELD. Mr. President, I have been giving up my time all afternoon. Therefore I am perfectly willing to yield to the Senator from Wisconsin to make his remarks, provided I do not lose the floor and that the interruption appear in the Record at the conclusion of my speech.

The PRESIDING OFFICER. Without objection it is so ordered, and the Senator from Wisconsin may proceed.

Mr. McCARTHY. Mr. President, we are again confronted with a situation where an irresponsible judge is obstructing efforts by the Senate to investigate and expose Communists. On August 11, 1954, the Senate unanimously cited Mr. Wendell H. Furry for contempt of Congress for his refusal to testify before the Permanent Subcommittee on Investigations concerning his former Communist associates. Yet it will be impossible to get a conviction because the case is to be heard by Judge Bailey Aldrich, a demonstrably incompetent and irresponsible judge, whose past conduct proves that he will not rule fairly and objectively in a Communist case.

I say to my friend, the able Senator from Montana [Mr. MANSFIELD], who has been kind enough to yield to me so that I may make this statement, that I rise to explain why I will refuse to testify in this case. It is something that I must explain to the Senate. I will refuse to testify unless the Senate asks me to do so.

As the chairman of the subcommittee before which Furry committed contempt of Congress, I have been requested by

the Justice Department to testify in the Furry case. While I would be very glad to testify if the case were going to be heard by an unbiased judge, I am advising the Justice Department that I will not testify unless Judge Aldrich withdraws from the case. I will not, if I can help it, be a party to the miscarriage of justice that is bound to occur in Judge Aldrich's court in any case involving communism.

Let me be very clear, Mr. President, as to reasons why Judge Aldrich is unqualified to hear this case. Last fall, an almost identical case was heard before Judge Aldrich's court, the case of U. S. against Leon J. Kamin. Kamin, like Furry, had been unanimously cited by the Senate for contempt of Congress for refusing to divulge the names of his former Communist associates. But thanks to Judge Aldrich's completely irresponsible conduct, and his almost incredible rulings, Kamin was acquitted.

To begin with, Judge Aldrich refused to let a jury hear the case. A jury had been impaneled, but Aldrich used as an excuse for discharging the jury the fact that I had been applauded in the corridors of the courthouse as I was coming to testify. Then, after he had arbitrarily given himself complete control of the case, Aldrich made a number of ridiculous rulings that assured Kamin's acquittal. His decisive and most absurd ruling was that a subcommittee which had been authorized to investigate "the operation of Government activities at all levels with a view to determining its economy and efficiency" had exceeded its jurisdiction when it investigated communism in defense plants that were supplied with Government funds and which were under the security supervision of Government security officers.

I thought at the time that these extraordinary rulings could be explained only by the fact that Judge Aldrich was prejudiced. Several months later these suspicions were confirmed when I learned that Judge Aldrich had refused to sign a non-Communist oath several weeks before the Kamin trial. He refused to sign an affidavit saying, No. 1, "I am not a member of the Communist Party," and No. 2, "I am not now, nor have I ever been, nor shall I ever knowingly become a member of any organization that believes in, or advocates, the overthrow by force of our American form of government." Judge Aldrich finally signed this affidavit only after heavy pressure had been exerted on him by Massachusetts government officials.

Clearly this rebellious attitude against signing a non-Communist oath indicated prejudice on Judge Aldrich's part in cases involving Communists. Yet he failed to disqualify himself on grounds of bias, as any responsible judge would have done in a Communist case.

Mr. President, in the Furry matter we have an almost identical case. It is therefore a foregone conclusion that Judge Aldrich will acquit Furry just as he acquitted Kamin. Under the circumstances, it would be an utter waste of time for me or any other Senator to testify. If there were any chance of getting a fair hearing of the case it would be a different matter. But in

Judge Aldrich's kangaroo court, the Government has not the slightest hope of obtaining a conviction. Not only that: Judge Aldrich, in the Kamin case, insulted the Senate by refusing to uphold its contempt citation; we should not give Aldrich the opportunity to insult the Senate again. We should not invite a repetition of that shameful spectacle.

Let me say, Mr. President, that the United States attorney in Boston, Mr. Anthony Julian, and his assistant, Mr. John M. Harrington, Jr., have done a splendid job in preparing the Kamin and Furry cases. It would be unfortunate if their hard work should come to naught because of the wilful irresponsibility of Judge Aldrich.

The correct thing for Judge Aldrich to do is withdraw from this case and permit it to be heard by another judge. I hope he does so. I hope that Judge Aldrich realizes that his conduct in the Kamin case was a disgrace to the whole Federal judiciary, and that the public's confidence in the judiciary will be further shaken if he fails to withdraw from the Furry case.

Mr. President, let me make it very clear to the Senate that while I think it would be a grave mistake for me to appear in Judge Aldrich's court to testify, when we know that there cannot be a conviction in a Communist case, if the Senate feels that I, as chairman of the subcommittee, and after it has voted contempt in the case, should go to the court and make this useless gesture, I shall accede to the Senate's request.

May I say to the able Senator from Montana that I greatly appreciate his yielding time for me to make these comments so that I can return to the investigating subcommittee. I hope I can return the favor at some time.

Mr. MANSFIELD. The Senator may have that opportunity.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The chief clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have sent to the desk a proposed unanimous consent agreement, which is submitted on behalf of myself and the distinguished minority leader [Mr. KNOWLAND]. I ask that the proposed agreement be stated.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be stated.

The legislative clerk read as follows:

Ordered, That effective on Thursday, April 19, 1956, after the conclusion of routine morning business, the call of the legislative calendar, and the treaties on the Executive Calendar, during the further consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and the International Labor Organization and authorizing appropriations therefor, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said joint resolution shall be received.

Ordered further, That on the question of the final passage of the said joint resolution, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders or either of them, may, from the time under their control on the passage of the joint resolution, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement proposed by the Senator from Texas [Mr. JOHNSON]? The Chair hears none, and it is so ordered.

ORDER FOR RECESS TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 11 a. m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF FROM FLOOD DISASTERS

Mr. BUSH. Mr. President, I am deeply grateful to my colleagues in the Senate for their action today in unanimously approving four of my bills arising from the flood disasters which afflicted my own State of Connecticut and other States in the Northeast during 1955.

Three of the bills should help speed the task of relief and rehabilitation should we have the misfortune to suffer a repetition of disaster. These bills would: First, authorize an increase in FHA mortgage insurance for 100 percent guaranteed disaster loans for repair or replacement of homes from \$7,000 to \$12,000; second, provide for rent-free accommodations in certain federally-aided housing for needy disaster victims; and, third, permit stockpiling of temporary housing for disaster relief.

The fourth, most important of all, is S. 3272, to expedite the construction of small flood-control works for the protection of our communities. This bill, when

finally enacted, will enable the Army engineers to break through the bottleneck of time which has been the most serious obstruction to speedy action for permanent flood protection.

It is my hope that the House of Representatives will act promptly on all of these measures. Together with bills previously approved by the Senate, they are an important part of our over-all program to provide the people the protection against the ravages of floods for which the need was so tragically demonstrated in 1955.

THE VETO OF THE FARM BILL

Mr. JOHNSTON of South Carolina. Mr. President, I have read with great alarm President Eisenhower's farm bill veto message. With equal alarm and bitter disappointment, that I am sure is shared by the farmers of America, I listened to his nationwide broadcast on this matter.

As a member of the Senate Agriculture Committee that held extensive hearings with farmers on farm problems all over America last year, as one who helped draft the Senate Agriculture Committee's version of a farm bill, as a member of the conference committee that drafted the final measure agreed upon by both Houses of Congress which President Eisenhower vetoed, and as the senior Senator from a State that is chiefly agricultural and whose agrarian population is principally made up of small farmers, depending greatly upon the agricultural policy of government, I feel dutybound to take the President of the United States to task for his veto, his reasoning behind his veto, his report to the people on his action, and his request for soil-bank legislation.

President Eisenhower said in his television message to the people that he was not a politician and that his veto was based upon what is best for the farmers and what is best for the entire Nation.

His implication was that we in Congress played politics in writing the farm bill. That is political slander. I am afraid Mr. Eisenhower is too much of a general to understand that we in Congress represent and work for the interests of a diversity of people from various sections of the Nation that grow a vast variety of agricultural commodities. Certainly there were many amendments offered by many Senators to the farm bill. Many were adopted and many were voted down. In committee we gave and took legislation, always in the best possible interest of the people of this Nation as a whole.

If any Senator or Representative wanted to play politics with farm legislation he would certainly choose an easier way to do it than to spend months in the field listening to the problems of the farmers from the farmers, and then more months attempting to forge out a bill reflecting the needs of the farmers, as we in the Congress did.

On the contrary, in speaking of politics and farmers, I am wondering if Mr. Eisenhower has ever listened to farmers and if he has once looked into the farm bill he vetoed and figured out what he

has deprived the farmers of in dollars and cents by his action.

The fact is that by vetoing the farm bill, President Eisenhower has literally taken \$2,334,000,000 out of the farmers' pockets. His veto will cost farmers 2,334,000,000 in reduced income. He did not tell the people this the other night. No. He did not tell the people that by vetoing 90 percent of parity he had reduced farmers' cash income by \$490 million on basic commodities alone, and \$144 million in grain feeds, and \$1,700,000,000 in conservation and soil bank payments that would have functioned with rigid controls and 90 percent of parity backing up the farmer in his participation of that program.

President Eisenhower did not tell the people that cotton under the 90 percent of parity bill passed by Congress would bring the farmers \$1,717,000,000, but that

under the program President Eisenhower will manage, the farmer will only net \$1,558,000,000, realizing a loss of \$159 million. Broken down simply, it means that the President's principle of less income for the farmer is best for the farmers and that neither the farmers nor Congress know anything about agricultural problems. This veto of Mr. Eisenhower's is costing farmers a loss of approximately \$9 per acre of cotton they grow; \$10 per acre of rice; \$9 per acre of peanuts; \$4 per acre of wheat; and \$2 per acre of commercial corn.

Under the bill passed by Congress, corn farmers would have received \$957 million. But because of the President's veto, they will receive 84 percent of parity, or \$870 million, realizing a loss of \$87 million. Wheat, under the congressional 90 percent of parity, would bring \$1,768,000,000, but, as a result of President Eisenhower's veto, will bring the

farmers only \$1,558,000,000, realizing a loss of \$210 million. On peanuts, the farmers would have received \$162 million, but because of the President's veto they will get only \$144 million, realizing a loss of \$18 million. As for rice, the story is the same. Under the bill passed by Congress farmers would have received \$200 million, but because of President Eisenhower they will get only \$184 million, realizing a loss of \$16 million. These figures can be verified by the Legislative Research and Reference Division of the Library of Congress.

I ask unanimous consent to have printed in the RECORD at this point a table prepared by the Legislative Research and Reference Division of the Library of Congress.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Support prices and indicated value of marketings for 1956

[Based upon average yield from acreage allotments (cotton) and intentions to plant (parity as of Mar. 15, 1956)]

[Millions of dollars]

Commodity	Indicated marketings		90 percent of the higher parity provided by Congress	Value to farmer	President proposes resulting from veto	Value to farmer	Total loss in basic commodity income to farmers resulting from veto
	Unit	Quantity					
Cotton.....	Million bales.....	10.8	0.3180	1,717	(0.2885)	1,558	159
Wheat.....	Million bushels.....	779	2.27	1,768	2.00	1,558	210
Corn.....	do.....	580	1.65	957	1.50	870	87
Rice.....	Thousand hundredweight.....	40,876	4.90	200	4.50	184	16
Peanuts.....	Million pounds.....	1,350	.12	162	.107	144	18
Total.....				4,804		4,314	490
Feed grain losses resulting from veto.....							144
Total loss in grains and basic commodities resulting from veto.....							1,700
Loss in soil bank and conservation payments resulting from veto.....							1,700
Grand total veto loss to farmers.....							2,334

Mr. JOHNSTON of South Carolina. Mr. President, on and on the difference goes and up and up mounts the loss in income to farmers. Surely the President does not think the farmers of America will swallow his story claiming that he has done what is best for the farmers. He said 90 percent of parity was best for the farmers in 1952. He should have traveled with the Senate Agriculture Committee last fall if he wanted to know something about farm problems. He speaks of grass-roots movements in his veto message. He is probably an authority on grass roots; but I am inclined to believe that the only grass roots on which he is an authority are on the golf greens. What he should know is something about the farmers' cost of living versus the farmers' shrinking income. If he had wanted really to help the farmers he would have approved the bill, which would have given the farmers more than \$2¼ billion.

He has completely broken his word and faith with the farmers of the Nation. I am not calling him a political liar. If he were not the President of the United States, I do not know how far I would go. In Columbia, S. C., in his campaign speech, he promised the people he would back 90 percent of parity without any "ifs, ands, or buts." Since then he said he meant 90 percent of parity in the mar-

ketplace. This is not what he promised, and to keep the record straight I will quote now exactly what he said in Columbia, S. C., on October 1, 1952, when he was seeking the farmers' vote:

For example, I believe wholeheartedly and without any "ifs" or "buts" in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

Candidate Eisenhower did not say he favored a program. He did not say he favored 90 percent of parity in the marketplace. He did not say he favored some sort of a program, and certainly he made no mention of sliding parity. He specifically said he favored the "present program" of 90-percent price supports, and the "present program" at that time was the same 90-percent support program Congress passed last week, and which President Eisenhower said was a major cause of his veto. He talks of principles and people. What kind of principle is it that makes a man say he is for the farmers, promise them continuation of a program, and then after election kills the bill that would do what he had promised, and reduces the farmers' income by more than \$2 billion? He has confused principles with military tactics, for certainly no man would do such a thing except for expediency to win a point or to win a battle. And in this

case the point is covering up his own failures with confusion.

This does not sound like the same man that vetoed the 90 percent of parity farm bill in the White House does it? Well, it's the very same Ike who promised a lot of other things. I must say, either the man in the White House has purposely for political reasons misguided the people or he does not even know what he reads that others write for him.

Robert Montgomery is a good movie actor, but is a very poor adviser on farm problems.

The President wants the soil-bank program, but he does not want 90 percent of parity. Well, he might as well know now that one will not work without the other. The farmer has got to have protection in the form of income for what he does grow before he can ever justify retiring his acreage out of production. It stands to reason that the less a man makes per acre of soil the more he will be inclined to plant, and the less he will retire into the soil bank.

To understand this problem, let us look at what happened with sliding parity prices and acreages. Mr. Eisenhower claims, as one of his reasons for the veto, that 90 percent of parity induces production and mounts surpluses. He does not know what he is talking about.

On every hand where sliding parity supports were applied to commodities—and the parity dropped as it always does in sliding programs—production skyrocketed. Proof of this is shown in the following figures regarding 10 commodities from 1952 to 1955:

Crop	Support level, percent down	Production, percent up
Oats.....	22	30
Sorghum grain.....	24	173
Soybeans.....	20	30
Milk.....	17	9
Barley.....	23	71
Flaxseed.....	23	42
Rye.....	17	75
Rice.....	8	2
Corn.....	1	5

Again, all we have to do is look at the 1954-55 figures on some of these same commodities to see that President Eisenhower does not know what he is talking about when he says by replacing 90 percent of parity with sliding low parity that production will be cut.

Mr. President, I ask unanimous consent that a table which I have before me may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Crop	Support level, percent down	Production, percent up
Corn.....	3	7
Oats.....	5	9
Sorghum grain.....	15	11
Soybeans.....	10	13
Milk.....	15	3
Barley.....	15	4
Flaxseed.....	5	4
Rye.....	15	21

Mr. JOHNSTON of South Carolina. Mr. President, to the contrary, the production records under 90 percent of parity, when it was in operation, show a distinct stability in production.

One point I would like to make here in particular is the moral obligation the Congress and anyone who is President owes to the farmers.

At the outset of World War II, we were faced with the need for tremendous expansion on all fronts, including trained manpower, more industry output, and more food than ever before in our history.

All sorts of programs were instituted by the Government to train people for defense jobs and inducements were handed out to get manpower to shift around the country as the need arose. Necessary gigantic expansion of industry was induced by governmental offers of Government-financed factories, tax concessions, conversion payments, cost-plus contracts, all effectively guaranteeing profits and eliminating risks. After the war, the Government gave industry reconversion subsidies and sold whole factories for a few cents on the dollar value. In short, industries' so-called wartime surplus capacity was practically a cost-free net gain on many fronts financed by the taxpayers.

All together, aside from hidden dollars not accounted for, the Government gave

outright to industry for its reconversion between 40 and 50 billion dollars, but not so with the farmers.

On the other hand, farmers, who had expanded their output to meet wartime requirements, had been induced solely by appeals to their patriotism and the possibilities of improved income. No financing and subsidies were offered to farmers. Agriculture output rose 32 percent per man over 1935-39 levels. Farmers of our Nation produced more food than ever before in our history.

The only thing the farmer received was a promise to provide 90 percent price supports to aid him in adjusting back to normal times.

As to a great many of these commodities, the Government made money. On cotton, for instance, the Government, up to the first of this year, made a net profit of \$258 million.

But we have never really returned to normal times, and will not for years to come. Now, the President has broken his word—that is a nice way of saying it—his promise, and his faith with the farmers. He has forgotten people and principles. He is totally infected with the disease of the Republican Party that has plagued the little people of this country since the first Republican drew breath.

Another thing is the ridiculous proposal of the President to get Congress to pass a soil-bank program by itself with no high supports to protect the farmers' income while they are retiring some of their soil into the soil-bank or conservation program.

Take cotton, for instance. The national average acre of cotton brings the farmer around \$110 under the 90 percent of parity bill we passed in Congress.

Under the program by the President, this same acre of cotton with 82½ percent of parity will bring the farmer only \$101.75. The President, under his plan, wants the farmers to place some of their cotton acreage under the soil-bank program. For this, President Eisenhower will pay him a certain percentage of the existing parity value of the cotton. Estimates from the Department of Agriculture indicate that Mr. Benson will pay the farmers 50 percent of the parity value of each acre of cotton placed into the soil-bank program. This would mean a farmer would be entitled to get about \$50.87 per acre of cotton, placed into the soil bank.

But, as the President announced, he will only give the farmer one-half of this amount in 1956 and the other half in 1957. This means that for each acre of cotton put out of commission into the soil bank that President Eisenhower will give the participating farmer about \$25.44.

In effect, what the President is saying is this: Ninety percent of parity which would bring the farmers \$110 per acre of cotton in 1956 is bad for the farmers and their sagging economy. Let me help you out. You put that \$110 crop into my bank and I will give you \$25.44 and you will not have to even work for it.

There are many small farmers in my State who plant less than 4 acres of cotton.

I have just ascertained by telephone that there are in South Carolina approx-

imately 18,630 farmers who have under 4 acres of cotton planted.

What President Eisenhower is asking them to do is to exchange a 4-acre cotton crop—under 90 percent of parity worth \$440—for 4 acres of nothing worth \$91.76. This sounds like some kind of Russian agricultural roulette game which will result in sure-fire suicide for our small farmers. To me or to anyone else who understands the farmers and their needs, it certainly does not sound like a bank, free enterprise, good government, or good business.

The farmers' income a few years ago was \$17,200,000,000. Now it is less than \$10 billion this means he has lost over \$7 billion in income.

Every year income has been reduced approximately 38 percent. During the same time, I find that the things which the farmer has had to buy have skyrocketed in price; they have gone up approximately 60 percent.

This point out the ridiculous nature of the President's proposals for a soil bank without 90 percent of parity to back it up. In effect, he is saying "I know you need help, so, to replace your lost \$7 billion, I offer you a \$500 million soil-bank program. But before you can get this," he tells the farmer, "you must cut your income further by reducing the crops you grow."

No, it does not make sense—at least, to me. I do not think it makes sense to the farmers of the Nation.

Mr. President, I have in my hand an excellent editorial entitled "The Farmer's Dilemma, and printed in The State, a newspaper published in Columbia, S. C., on April 17, 1956. The editorial points up most clearly some of the problems which the farmers are facing at this time. It is refreshing to see a large daily newspaper take the fair approach to the problem, as The State has done. I take the opportunity to commend this newspaper for its factual representation.

I may say further, Mr. President, that the Columbia State was one of the newspapers which was very fair to General Eisenhower when he campaigned in 1952.

I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FARMER'S DILEMMA

The businessman cannot see why the Government should subsidize the farmer and leave him to shift for himself. The farmer is sometimes pictured as living in the lap of luxury, being paid with public funds not to produce or to fill in his losses.

We believe we have mentioned the fact that farmers in this vicinity now say that it is almost impossible to give away a milk cow, the prices being lower than they were in the depths of the depression. We also heard one ex-farmer say he had lost \$50,000 feeding hogs.

Now come two simultaneous magazine articles giving the farmer's point of view. Both are from the Middle West.

Gov. Fred Hall, of Kansas, who comes in contact with many farmers in his travels over the State and in his office, points out in the American magazine that farm income in the United States has dropped 9 percent in the last 3 years, and much more in the Southwest, due to droughts and falling cat-

the prices, with the consequence that many small livestock farmers, including large numbers in southeastern Kansas, have taken outside jobs to feed their families while waiting for a break to better times. Some, however, have sold their farms.

He points out, as was done in our columns some time ago, the large original investment necessary to set up farming. He cites one farmer in eastern Kansas whose 160-acre farm is worth \$25,000 with \$15,000 tied up in machinery. From this \$40,000 investment and a 48-hour workweek he earned a net of \$4,500 in 1947, his best year, but only \$2,500 in 1955, for a 10-year average of \$3,000, or about \$60 a week. His housing would cost \$1,000 a year in town and he saves probably \$500 in food bills from his garden and chickens. But they do not come up to the interest he loses by having his money invested in a farm. At 4 percent it would bring him \$1,600 a year without work. His brother, with no investment nor business ulcers, makes more than \$100 a week in 40 hours as a carpenter. A former schoolmate makes \$90 a week driving an oil truck.

He goes on to point out that we no longer live in a completely free economy. Nearly every segment of the industrial population benefits directly or indirectly from heavy Government spending and has been since early 1940, when the Nation went on an artificial wartime economy which has continued

through the cold war. Uncle Sam is pouring out billions to industry for defense purposes, only a small trickle of which sifts down to the farmer. Farmers, he says, will continue to insist on direct Federal aid so long as industry is subsidized. He quotes a State representative who operates a 300-acre farm as saying farmers would be willing to go back to a free enterprise if the rest of the country would, but can't be the only free enterprisers in a controlled economy.

Many Western wheat farmers, he says, would like to have a two-price system, raising all they could without restrictions, guaranteed a good price for the portion needed for normal American consumption and granted the right to store the surplus on their own farms as a hedge against future poor crops or for sale at whatever prices they could get on foreign or domestic markets.

Many also say they need Federal loans to help them buy more land, machinery, and fertilizers if they are ever to get out of their low returns to decent income levels.

An even more discouraging picture is painted by a farm housewife from near Columbia, Mo., Winifred Bryan Horner, in the *Saturday Evening Post* for April 14. She says that while farm income has dropped 38 percent since 1947, nonfarm income has gone up 68 percent.

Her husband, an agricultural college grad-

uate, built up a sizable operation. But in 1951 things began getting tough till they were trying to figure out a budget on an income of minus \$2,000 a year. Her husband got a job outside, first in air conditioning, "the mechanical approach" to the weather, as Mrs. Horner wittily remarks, and then as a meteorologist, "the scientific approach," still unable to escape the weather. He works 40 hours a week on his job and 40 on the farm. This, we figure, leaves 88 hours a week, or 12.5 hours a day for sleep, eating, recreation and the rest of it.

With expenses increasing, the water problem critical, income decreasing, indebtedness mounting, Mrs. Horner wonders, as her title puts it, "How Long Can We Stay on the Farm?"

Apparently, the same general situation prevails throughout the land. We can't run all farmers out of business and still eat and wear the same kinds of clothes. The farm problem concerns everyone.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed at this point in the *RECORD* a table entitled "Support Prices and Indicated Value of Marketings for 1956."

There being no objection, the table was ordered to be printed in the *RECORD*, as follows:

Support prices and indicated value of marketings for 1956

[Based upon average yield from acreage allotments (cotton) and intentions to plant (parity as of Mar. 15, 1956)]

[Millions of dollars]

Commodity	Indicated marketings		90 percent of the higher parity provided by Congress	Value to farmer	President proposes resulting from veto	Value to farmer	Total loss in basic commodity income to farmers resulting from veto
	Unit	Quantity					
Cotton.....	Thousand bales.....	10.8	0.3180	1,717	.2885	1,558	159
Wheat.....	Thousand bushels.....	779	2.27	1,768	2.00	1,558	210
Corn.....	do.....	580	1.65	957	1.50	870	87
Rice.....	Thousand hundredweight.....	40,876	4.90	200	4.50	184	16
Peanuts.....	Thousand pounds.....	1,350	.12	162	.107	144	18
Total.....				4,804		4,314	490
Feed grain losses resulting from veto.....							144
Total loss in grains and basic commodities resulting from veto.....							634
Loss in soil bank and conservation payments resulting from veto.....							1,700
Grand total veto loss to farmers.....							2,334

PROTECTION AND CONSERVATION OF NATIONAL SOIL, WATER, AND FOREST RESOURCES—THE SOIL BANK PLAN

Mr. AIKEN. Mr. President, on behalf of 44 of my colleagues and myself, I have today introduced a bill providing for the soil bank plan which was referred to by the President in his veto message and his address to the Nation on the 16th of this month. I regret that I did not have an opportunity to communicate with all the Members of the Senate to ascertain whether they desired to be cosponsors of the bill; I simply spoke with all Senators whom I had time to meet, and there were 44 of them.

The bill is, in effect, title II of the bill which was vetoed by the President, together with the perfecting amendments and the prepayment provisions recommended by the President.

Congress already is deeply aware of the significance of the proposed legislation, the urgency of its enactment, and the need for action now, with the least

possible legislative maneuvering and hearings.

Inasmuch as the subject has already had months of intensive congressional study and has already received the support of a large majority of the Members of Congress only a short time ago, there can now be no valid reason for delaying its passage any longer.

The bill could have been enacted at the end of February or early in March, so that it would have been fully effective in implementing farm income, reducing farm surpluses to proper size, and bringing farm production into line with requirements this year. However, that was not done. The bill was delayed, and cannot be fully effective, of course, in this crop year.

Nevertheless, the combining of the soil bank provisions of the bill with the prepayment feature, which has now been included in the bill, will permit prompt payments to be made to the farmers this crop year—the year 1956 has been retained in the bill—and there is no doubt that if the bill can be passed promptly,

substantial assistance will accrue to the farmers this year.

Therefore, we who are endorsing the measure join with the President in urging that no further delay be permitted.

As I have said, a great many of my colleagues have joined in introducing the measure. It is evidence of our earnest conviction that swift action is imperative, and is indicative of our sincere desire to cooperate fully with the President in producing immediately an instrument which will attack at the roots the problem of agricultural surpluses.

I believe I can say on behalf of every Senator who has joined in sponsoring the bill that it is our hope, and it will be our combined effort to make certain, that action will be taken by the committee and by Congress as quickly as possible. The bill has already been thoroughly considered and has been approved by a great majority of the Members of Congress; so it should be possible, without any delay, to send to the President a workable, sound soil-bank and forestry program.

It is likewise my hope that, since the proposed legislation has had such thorough consideration and study, there will be no substantial tendency on the part of Senators generally to amend the bill. Such efforts could result in additional unfortunate, harmful delays to the measures. I presume that such efforts would be futile, since most of the amendments which might be proposed have already been considered and rejected either by Congress or by the President himself.

I remind the Senate that the soil-bank provision was not in serious controversy. We can have the bill on the President's desk within a week if we wish to do so. If we want to delay it, I suppose there are those who are in a position to impede it further. But the bill can be on the President's desk within a week if we wish to act promptly. If we do, the farmers of the Nation will receive substantial benefits from it this year.

The farmers need help now. The President has already signified his willingness and his desire to approve the soil-bank measure. In these circumstances, I find no reason why Congress should withhold immediate favorable action; and such action, I think, and I feel certain a large majority of the Senate agree with me, must be forthcoming.

Mr. President, with the introduction of the bill, an opportunity is afforded to place promptly on the President's desk a sound, workable soil-bank program.

If there is delay in action on the bill, I hope those responsible for the delay will be willing to accept full responsibility for holding down the income of the farmers of the country this year.

Mr. MARTIN of Iowa. Mr. President, I am very pleased to cosponsor the bill described by the Senator from Vermont [Mr. Aiken], and also a bill introduced today by the Senator from Florida [Mr. Holland], which are designed to create a soil bank for the farmers of America. I have a particular interest in these proposals. It was almost exactly 2 years ago that I introduced a bill in the House of Representatives calling for the establishment of a soil fertility bank. My bill was introduced on April 15, 1954. A few days later, on the 7th of May, I appeared as a witness before the House Committee on Agriculture. During those hearings I characterized the soil bank in these words:

I believe this approach to the problems of adjusting farm production to effective demand holds much promise. Certainly it is far better to store fertility in the soil than to produce crops beyond market need.

I believed in the principles of the soil bank in 1954. Today, 2 years later, I still believe in these principles. The soil bank plan that would be created under the provisions of the bills I have cosponsored today holds much promise for the future welfare and benefit of the American farmer. But we cannot wish the soil bank into existence. We must take legislative action.

I am certain the overwhelming majority of my colleagues realize the problems that face agriculture today. We have heard speech after speech, outlining the situation and defining the extent of

the agricultural problem. Now it is time for us to act. Now it is time to substitute the helping hand for the worried tongue. Now it is time to demonstrate to the farmer that our concern for his welfare, so often the subject of our Senate speeches, is also the object of our specific legislative action.

I sincerely hope these bills will not become mired in the quicksand of partisan considerations. Most of us realize the farmer has a problem. Most of us believe the soil bank will go a long way toward solving that problem. Let us now put those two considerations together and put our legislative shoulders to the wheel. The farmers deserve this help.

RECESS TO 11 O'CLOCK A. M. TOMORROW

Mr. JOHNSTON of South Carolina. Mr. President, pursuant to the order previously entered, I now move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 2 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, April 19, 1956, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate April 18 (legislative day of April 9), 1956.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. George Henry Decker, O15950, Army of the United States (major general, U. S. Army), in the rank of general.

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be captains

Abagis, Kenneth M., O71433.

Abele, Louis E., O59231.

Abt, Frederick T., O70244.

Adams, Charles M., O59128.

Adams, Earl R., Jr., O58288.

Adams, Pritchard G., Jr., O60248.

Adkins, Virgil S., Jr., O59987.

Allen, Boyde W., Jr., O59203.

Allen, Robert A., O59986.

Alloway, Curtis H., O59772.

Alter, George M., O58290.

Alvarez, Theodore P., O60787.

Anderegg, Harold R., O59281.

Anders, Curtis L., O59302.

Andreen, Robert B., O59149.

Angle, William J., O65259.

Appel, Edward J., O60846.

Armour, Thomas M., O65281.

Armstrong, Andrew J., O61102.

Armstrong, Frank H., O60273.

Arnette, John Q., O59418.

Bailey, Horace E., O65230.

Ballou, DeForrest, 3d, O58299.

Balmer, Jesmond D., Jr., O59219.

Bamford, Thomas F., O59166.

Barclay, Kenneth K., O65285.

Barlow, Raymon C., Jr., O59287.

Barnes, Metullus A., Jr., O58302.

Barry, Clarence D., O58303.

Baskin, Ronald R., O70264.

Battrell, Raymond R., Jr., O59108.

Baumann, Lewis R., O62808.

Bayard, Louis P., O59097.

Becker, Henry C., Jr., O63389.

Bell, Cleo O., O65190.

Bell, Clyde B., Jr., O59227.

Bender, John A., O59317.

Bercaw, Woodson W., Jr., O59077.

Berens, Robert J., O58306.

Bernard, Carl F., O69589.

Bernhard, Alexander H., O63419.

Bertholf, Cheney L., Jr., O65202.

Betts, Earl C., O59300.

Betts, Edward E., O65950.

Birrell, John H., O59147.

Bivens, Courtland C., Jr., O65237.

Black, George S., O65953.

Black, Robert W., O59350.

Black, William L., O63412.

Blackmore, Robert P., O59473.

Blake, Thomas B., O58311.

Blankenship, Alan W., O60125.

Boland, Herman T., Jr., O59092.

Bolen, Charles M., Jr., O63417.

Bolte, David E., O59307.

Bonwell, Donald R., O59297.

Bounds, Marcellus W., O59262.

Boyes, John H., O65269.

Bracey, Spencer M., O58317.

Bradley, Robert L., O59244.

Braunstein, Howard H., O65196.

Breitenberg, Eugene H., O62819.

Brian, Adrian B., O59332.

Brister, Alan A., O65742.

Brockmyer, James J., O63401.

Brower, Wesley H., O58320.

Brown, Latham H., O58321.

Bruce, Wesley D., Jr., O70289.

Brunkhorst, Harold H., O58324.

Buchanan, John O., O58846.

Buck, James H., O62845.

Buckingham, Clay T., O59247.

Bull, Kenneth R., O60895.

Bunch, James E., O58325.

Bundy, Richard N., O59169.

Burns, Robert J., O65258.

Burt, Thomas H., O59416.

Bush, Louis S., O59264.

Butler, Donald A., O59909.

Butler, James F., O65960.

Byrd, Roy T., O59415.

Calhoun, Leon J., O65613.

Campbell, James G., Jr., O58330.

Campbell, Robert M., O65736.

Caraplis, Louis A., Jr., O59980.

Carlisle, Wilford B., O65069.

Carr, John L., O59206.

Carrigan, Mark C., O63414.

Carswell, Bruce MacD., O59132.

Carter, Robert P., O63396.

Carty, Robert T., O65188.

Casper, Richard F., O58331.

Cave, Edmund H., O59411.

Cayce, Bryce T., O65189.

Cerny, Edward V., O59845.

Chabot, Richard C., O69616.

Chadbourne, James F., Jr., O65962.

Chamberlain, Donald E., O60823.

Chandler, David J., O59271.

Chandler, John P., O59095.

Christensen, Hal S., O63420.

Christianson, J. Milton, O65965.

Church, William M., O58336.

Clark, James M., O58338.

Clark, Warren M., O65294.

Clarke, Frank P., O59144.

Clayton, Charles C., O60852.

Clinedinst, Clinton R., O65225.

Cloud, James C., O65743.

Coates, Norman W., O69623.

Coatney, Loren C., O58340.

Cobb, Joseph F., O59990.

Coghlan, James J., Jr., O59342.

Cohn, Frank, O58341.

Cohn, Merrill R., O58342.

Cole, Grady A., O58343.

Collins, John J., Jr., O65243.

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 16 (legislative day, MARCH 13), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HOLLAND to the bill (S. 3183)
to provide an improved farm program, viz: On page 25,
between lines 14 and 15, insert the following new section:

1 SEC. 225. (a) Notwithstanding any other provision of
2 law, beginning with the 1957 crops, the Secretary shall
3 require as a condition of eligibility for price support on any
4 agricultural crop, except tung nuts, that the producer agree,
5 if otherwise eligible, to devote an acreage of cropland (till-
6 able in regular rotation) to either the acreage reserve pro-
7 gram or the conservation reserve program, or both: *Pro-*
8 *vided*, That this requirement shall not be applied to any
9 crop as a condition of eligibility for price support in any
10 year in which marketing quotas are in effect on such crop

1 as a result of a referendum conducted prior to the enactment
2 of this Act: *Provided further*, That this requirement shall
3 not be applicable to any farm with fifteen acres or less
4 devoted to price-supported crops during any one marketing
5 year: *Provided further*, That the amount of such acreage
6 of cropland shall be determined by applying a percentage
7 factor to the total acreage of cropland being planted to
8 price-supported crops for harvest during the marketing years
9 for which eligibility for price support is being determined.
10 The percentage factor shall be that determined by the Secre-
11 tary, and in no event in excess of 15 per centum of the
12 acreage of cropland being devoted to price-supported crops.
13 The Secretary is authorized to make agricultural conserva-
14 tion payments for approved conservation practices performed
15 on land removed from production for market under this
16 section.

17 (b) Except as the Secretary may otherwise provide
18 by regulation, no producers shall be eligible for any pay-
19 ment under this Act if the acreage of cropland devoted to
20 price-supported crops, other than tung nuts, on any farm
21 controlled by such producer is increased to an acreage greater
22 than the average devoted to such crops in the immediately
23 preceding five years (considering normal rotation practices).

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. HOLLAND to the bill (S. 3183) to provide an improved farm program.

MARCH 16 (legislative day, MARCH 13), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 15 (legislative day, MARCH 13*), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WELKER to the bill (S. 3183)
to provide an improved farm program, viz: On page 30,
after line 17, insert:

1 FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL

2 PROJECTS

3 SEC. 310. (a) For a period of three years from the
4 date of enactment of this Act, no agricultural commodity
5 determined by the Secretary of Agriculture in accordance
6 with subsection (c) to be in surplus supply shall receive
7 any crop loans or federal farm payments or benefits on
8 any newly irrigated or drained lands within any Federal
9 irrigation or drainage project hereafter authorized unless
10 such lands were used for the production of such commodity
11 prior to the construction of such project.

1 (b) The Secretary of the Interior and the Secretary of
2 Agriculture shall cause to be included, in all irrigation, drain-
3 age, or flood-control contracts entered into with respect to
4 Federal irrigation, drainage, or flood-control projects here-
5 after authorized, such provisions as they may deem necessary
6 to provide for the enforcement of the provisions of this sec-
7 tion. Surplus crops grown on lands reclaimed by flood-
8 control projects shall be ineligible for any benefits under
9 the soil-bank provisions of this Act and under price support
10 legislation.

11 (c) On or before October 1 of each year, the Secretary
12 of Agriculture shall determine and proclaim the agricultural
13 commodities the supplies of which are in excess of estimated
14 requirements for domestic consumption and export plus ade-
15 quate reserves for emergencies. The commodities so pro-
16 claimed shall be considered to be in surplus supply for the
17 purposes of subsection (a) during the succeeding crop year.

18 (d) For the purposes of this section the term "Federal
19 irrigation or drainage project" means any irrigation or drain-
20 age project subject to the Federal reclamation laws (Act of
21 June 17, 1902, 32 Stat. 388, and Acts amendatory thereof
22 or supplementary thereto) in effect at the date of the adop-
23 tion of this amendment and any irrigation or drainage project
24 subject to the laws relating to irrigation and drainage ad-

- 1 ministered by the Department of Agriculture or the Secre-
- 2 tary of Agriculture.

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. WELKER to the bill (S. 3183) to provide an improved farm program.

MARCH 15 (legislative day, MARCH 13), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 15 (legislative day, MARCH 13), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 31, beginning at line 11, strike out that line and
- 2 the rest of the page.
- 3 Strike out all of pages 32 and 33.
- 4 On page 34, strike out lines 1 through 18.

3-15-56—E

84TH CONGRESS
2D Session

S. 3183

AMENDMENTS

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183) to provide an improved farm program.

MArch 15 (legislative day, MArch 13), 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183), to provide an improved farm program, viz: On page 4, between lines 13 and 14, insert the following:

1 MILK AND BRUCELLOSIS PROGRAMS

2 SEC. 106. (a) The last sentence of section 201 (c)
3 of the Agricultural Act of 1949, as amended, is amended
4 to read as follows: "For the period beginning September
5 1, 1954, and ending June 30, 1955, not to exceed \$50,-
6 000,000, and for the fiscal year ending June 30, 1956,
7 not to exceed \$60,000,000, and for each of the two fiscal
8 years in the period beginning July 1, 1956, and ending
9 June 30, 1958, not to exceed \$75,000,000, of the funds
10 of the Commodity Credit Corporation shall be used to in-

1 crease the consumption of fluid milk by children in (1)
2 nonprofit schools of high-school grade and under; and (2)
3 such nonprofit nursery schools, child-care centers, settlement
4 houses, summer camps, and similar nonprofit institutions
5 as are devoted to the care and training of underprivileged
6 children on a public welfare or charitable basis.”

7 (b) Section 204 (e) of the Agricultural Act of 1954
8 is amended to read as follows: “As a means of stabi-
9 lizing the dairy industry and further suppressing and eradi-
10 cating brucellosis in cattle, the Secretary is authorized to
11 transfer not to exceed \$17,000,000 for the fiscal year end-
12 ing June 30, 1956, and \$20,000,000 for each of the fiscal
13 years 1957 and 1958, from funds available to the Com-
14 modity Credit Corporation to the appropriation item “Plant
15 and Animal Disease and Pest Control” in the Department
16 of Agriculture Appropriation Act for such fiscal year for
17 the purpose of accelerating the brucellosis eradication pro-
18 gram, for the purpose of increasing to not to exceed \$50
19 per head of cattle the amount of the indemnities paid by the
20 Federal Government for cattle destroyed because of
21 brucellosis in connection with cooperative control and eradi-
22 cation programs for such disease in cattle entered into by the
23 Secretary under the Authority of the Act of May 29, 1884, as
24 amended, for the purpose of increasing the number of such
25 indemnities, and for the purpose of defraying any additional

1 administrative expenses in connection therewith. There
2 are hereby authorized to be appropriated such sums as may
3 be necessary to reimburse the Commodity Credit Corpora-
4 tion for expenditures pursuant to this section.”

5 (c) The first sentence of subsection (a) and the first
6 sentence of subsection (b) of section 202 of the Agricul-
7 tural Act of 1949, as amended, are amended by striking out
8 “1956” and inserting in lieu thereof “1958”.

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program.

MARCH 13, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. O'MAHONEY (for himself, Mr. RUSSELL, Mr. HAYDEN, Mr. BYRD, Mr. HUMPHREY, Mr. McCLELLAN, and Mr. CHAVEZ) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 23, before the period in line 22, insert a colon
2 and the following: "*Provided*, That the Secretary shall,
3 prior to July 1, 1956, or such earlier date as may be prac-
4 ticable, submit to the Congress for immediate reference to
5 the Committees on Appropriations of the Senate and House
6 of Representatives a full program of all operations under this
7 Act which will require the making of expenditures prior to
8 July 1, 1957; and, after July 1, 1956, no funds of the
9 Commodity Credit Corporation shall be utilized for carrying
10 out the purposes of this Act".

- 1 On page 23, line 23, after “necessary to” insert the
 2 following: “carry out the purposes of this Act, including
 3 such amounts as may be required to”.

84TH CONGRESS
 2d Session

Calendar No. 1503

S. 3183

AMENDMENTS

Intended to be proposed by Mr. O'MAHONEY,
 (for himself, Mr. RUSSELL, Mr. HAYDEN, Mr.
 BYRD, Mr. HUMPHREY, Mr. MCCLELLAN, and
 Mr. CHAVEZ) to the bill (S. 3183) to provide
 an improved farm program.

MARCH 13, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself, Mr. HUMPHREY and Mr. LEHMAN) to the bill (S. 3183) to provide an improved farm program, viz: On page 30, line 18, insert the following:

1 SEC. 310. Section 416 of the Agricultural Act of 1949,
2 as amended, is amended by inserting before the last sentence
3 thereof a new sentence as follows: "In addition, in the case
4 of food commodities disposed of under this section, the Com-
5 modity Credit Corporation may pay the cost of processing
6 such commodities into a form suitable for home or institu-
7 tional use, such processing to be accomplished through private
8 trade facilities to the greatest extent possible."

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself, Mr. HUMPHREY, and Mr. LEMMAN) to the bill (S. 3183) to provide an improved farm program.

MARCH 13, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SMITH of New Jersey (for himself, Mr. CASE of New Jersey, and Mr. BENDER) to the bill (S. 3183), to provide an improved farm program, viz: On page 31, strike out lines 1 through 10 and insert in lieu thereof the following:

1 SEC. 402. That section 335 of the Agricultural Adjust-
2 ment Act of 1938, as amended, is further amended by
3 adding a new subsection (f) after subsection (e) to read
4 as follows:

5 “(f) The Secretary, upon application made pursuant to
6 regulations prescribed by him, shall exempt producers from
7 any obligation under this Act to pay the penalty on, deliver
8 to the Secretary, or store the farm marketing excess with

1 respect to any farm for any crop of wheat harvested in 1956
2 or subsequent years on the following conditions:

3 “(1) That none of such crop of wheat is removed from
4 such farm;

5 “(2) That such entire crop of wheat is used for food or
6 seed on such farm, or is fed on such farm to livestock, includ-
7 ing poultry, owned by any such producer, or a subsequent
8 owner, or operator of the farm;

9 “(3) That such producers and their successors comply
10 with all regulations prescribed by the Secretary for the pur-
11 pose of determining compliance with the foregoing conditions.

12 “(4) That such producers shall agree not to request
13 price support on any feed grain produced on such farms in a
14 crop year for which an exemption from wheat quotas is
15 requested under the authority of this subsection.

16 “Failure to comply with any of the foregoing conditions
17 shall cause the exemption to become immediately null and
18 void unless such failure is due to circumstances beyond the
19 control of such producers as determined by the Secretary.
20 In the event an exemption becomes null and void, the pro-
21 visions of this Act shall become applicable to the same extent
22 as if such exemption had not been granted. No acreage
23 planted to wheat in excess of the farm acreage allotment for
24 a crop covered by an exemption hereunder shall be con-

- 1 sidered in determining any subsequent wheat acreage allot-
- 2 ment or marketing quota for such farm."

AMENDMENT

Intended to be proposed by Mr. SMITH of New Jersey (for himself, Mr. CASE of New Jersey, and Mr. BENDER) to the bill (S. 3183) to provide an improved farm program.

MARCH 13, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. SCHOEPPPEL to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 4, line 15, beginning with the word "Section"
2 strike out down through the period in line 19, and insert
3 in lieu thereof the following: "Section 301 (a) (1) (E)
4 of the Agricultural Act of 1938, as amended, is amended by
5 striking the period at the end thereof and inserting in lieu
6 thereof a comma and the following: "except that with re-
7 spect to the transitional parity price for wheat as of any date
8 after January 1, 1957, shall be—

9 “(iii) its parity price determined in the manner
10 used prior to the effective date of the Agricultural Act
11 of 1948, less

1 “(iv) $2\frac{1}{2}$ per centum of the parity price so deter-
2 mined multiplied by the number of full calendar years
3 which, as such date, have elapsed after January 1,
4 1956.”

5 On page 4, between lines 22 and 23, insert the following:

6 “SEC. 107. Section 101 (d) (6) of the Agricultural
7 Act of 1949, as amended, is amended by inserting after the
8 word ‘quotas’ the following: ‘and for the 1956 crop of
9 wheat’.”

10 On page 4, line 24, strike out “SEC. 107.” and insert
11 in lieu thereof “SEC. 108.”

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. SCHORPPEL to
the bill (S. 3183) to provide an improved
farm program.

MARCH 13, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 12 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. MONRONEY (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 12, line 12, before the period insert: "or in the
2 grazing of livestock".

3 On page 16, line 24, after the period, insert the follow-
4 ing: "The portion of the national conservation reserve goal
5 for any year representing acreage regularly used in the graz-
6 ing of livestock shall be (1) four million animal units less
7 the number of animal units then in the conservation reserve
8 program, or (2) the number of animal units determined by
9 the Secretary to be necessary in order to bring supplies of
10 livestock and livestock products into line with the demand

1 therefor, whichever is lesser. For the purposes of this sec-
2 tion, an animal unit shall be the acreage required in a par-
3 ticular area to graze one cow on an annual basis and one calf
4 through the period prior to weaning.”

5 On page 17, at the end of line 13, add the following:
6 “The portion of the national conservation reserve goal repre-
7 senting acreage regularly used in the grazing of livestock
8 shall be distributed among the various States as nearly as
9 practicable on the basis of the average number of animal
10 units grazed in each such State during the ten years pre-
11 ceding the year for which such distribution is made.”

12 On page 18, line 9, strike out “\$350,000,000” and
13 insert “\$425,000,000”.

AMENDMENTS

Intended to be proposed by Mr. MONRONEY (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program.

MARCH 12 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. FULBRIGHT to the amendment intended to be proposed by Mr. STENNIS (for himself and others), designated 3-7-56—Q, to the bill (S. 3183) to provide an improved farm program, viz:

- 1 Line 1, after "COTTON" insert "AND RICE".
- 2 Line 2, after "SEC. 403." insert "(a)".
- 3 At the end of the amendment add the following:
- 4 “(b) Section 352 of the Agricultural Adjustment Act
- 5 of 1938, as amended is hereby amended by adding at the
- 6 end thereof the following:
- 7 “ ‘Notwithstanding any other provision of law, the na-
- 8 tional acreage allotments of rice for 1957 and 1958 shall
- 9 be not less than the national acreage allotment for 1956,

1 including any acreage allotted under section 353 (c) (5)
 2 of this Act, and such 1957 and 1958 national allotments
 3 shall be apportioned among the States in the same propor-
 4 tion that they shared in the total acreage allotted in 1956.' ”

Calendar No. 1503

84TH CONGRESS
 2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. FULBRIGHT to
 the amendment intended to be proposed by
 Mr. STENNIS (for himself and others), des-
 igned 3-7-56—Q, to the bill (S. 3183)
 to provide an improved farm program.

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ALLOTT to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 On page 18, line 9, strike out “\$350,000,000” and insert
- 2 in lieu thereof “\$750,000,000”.

3-9-56—F

AMENDMENT

Intended to be proposed by Mr. ALLOT to the bill (S. 3183) to provide an improved farm program.

MARCH 9 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. DIRKSEN to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 36, beginning with line 15, strike out over
2 through line 5 on page 46.

3 On page 46, line 6, strike out "VI" and insert "V".

4 On page 46, line 9, strike out "601" and insert "501".

5 On page 48, line 4, strike out "602" and insert "502".

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. DIRKSEN to the bill (S. 3183) to provide an improved farm program.

MARCH 9 (legislative day, March 6), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WELKER to the bill (S. 3183)
to provide an improved farm program, viz: On page 30,
between lines 17 and 18, insert a new section as follows:

1 FEDERAL RECLAMATION PROJECTS

2 SEC. 310. (a) No agricultural commodity determined
3 by the Secretary of Agriculture in accordance with subsec-
4 tion (c) to be in surplus supply shall be produced on any
5 lands within any Federal irrigation project hereafter author-
6 ized unless such lands were used for the production of such
7 commodity prior to the construction of such project.

8 (b) The Secretary of the Interior shall cause to be in-
9 cluded, in all reclamation contracts entered into with respect
10 to Federal reclamation projects hereafter authorized, such

1 provisions as he may deem necessary to provide for the en-
2 forcement of the provisions of this section.

3 (c) On or before October 1 of each year, the Secretary
4 of Agriculture shall determine and proclaim the agricultural
5 commodities the supplies of which are in excess of estimated
6 requirements for domestic consumption and export plus
7 adequate reserves for emergencies. The commodities so
8 proclaimed shall be considered to be in surplus supply for
9 the purposes of subsection (a) during the succeeding crop
10 year.

11 (d) For the purposes of this section the term "Federal
12 irrigation project" means any irrigation project subject to
13 the Federal reclamation laws (Act of June 17, 1902, 32
14 Stat. 388, and Acts amendatory thereof or supplementary
15 thereto).

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. WELKER to the bill (S. 3183) to provide an improved farm program.

MARCH 9 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. THYE to the bill (S. 3183) to provide an improved farm program, viz: On page 4, delete lines 5 through 13, and substitute in lieu thereof the following:

1 PRICE SUPPORTS—MANUFACTURING MILK

2 SEC. 105. The first sentence of subsection (c) of section

3 201 of the Agricultural Act of 1949, as amended, is amended

4 to read as follows: "The price of whole milk, butterfat,

5 and the products of such commodities, respectively, shall be

6 supported at a level not in excess of 90 per centum nor less

7 than 75 per centum of the parity price: *Provided*, That

8 the Secretary shall establish support price levels in relation

9 to parity prices for such milk and butterfat which will tend

1 to correct any current disparities between the price of milk
2 entering different end uses and which will tend to establish
3 such support prices at a ratio to parity prices for such milk
4 and butterfat comparable to the ratio between the price
5 for milk used for fluid consumption and the parity price for
6 such fluid milk: *Provided further*, That during the market-
7 ing year April 1, 1956, to March 31, 1957, the price of
8 milk and butterfat used in the manufacture of dairy products
9 shall be supported at a level not less than the equivalent of
10 85 percent of parity."

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. Tugue to the bill (S. 3183) to provide an improved farm program.

March 9 (legislative day, March 6), 1956
Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CURTIS to the bill (S. 3183)
to provide an improved farm program, viz: On page 30,
between lines 17 and 18, insert the following:

1 COMMISSION TO PREPARE LEGISLATION PROVIDING FOR
2 INCREASED INDUSTRIAL USE OF AGRICULTURAL
3 PRODUCTS

4 SEC. 310. (a) (1) There is hereby established a Com-
5 mission on Increased Industrial Use of Agricultural Products
6 (hereafter referred to as "the Commission"). The Com-
7 mission shall be composed of five members to be appointed
8 by the President. In making such appointments the Presi-
9 dent shall give due consideration to the interests of various

1 segments of agriculture. One of the members so appointed
2 shall be designated as Chairman by the President.

3 (2) Members of the Commission shall be paid compen-
4 sation at the rate of \$50 per day and shall be reimbursed
5 for necessary traveling and other expenses incurred by them
6 in the performance of their duties as members of the
7 Commission.

8 (3) The Commission is authorized to appoint and fix
9 the compensation, without regard to the civil-service laws
10 and the Classification Act of 1949, as amended, of an
11 executive director and such chemists, engineers, agriculturists,
12 attorneys, legislative draftsmen, and other assistants as it
13 may deem necessary. The Secretary of Agriculture is au-
14 thorized to provide the Commission with necessary office
15 space, and may detail, on a reimbursable basis, any per-
16 sonnel of the Department of Agriculture to assist the Com-
17 mission in carrying out its work.

18 (4) Upon request of the Commission, any other depart-
19 ment or agency of the Government having information or
20 data needed by the Commission in carrying out its duties
21 under this section, shall make such information or data avail-
22 able to the Commission for such purposes. The Commission
23 shall take such steps as may be necessary to protect against
24 unauthorized disclosure any such information or data which
25 may be classified for security purposes.

1 (5) Service of an individual as a member of the Com-
2 mission or employment of an individual by the Commission
3 in a technical or professional field, on a part-time or full-
4 time basis, shall not be considered as service or employment
5 bringing such individual within the provisions of section 281,
6 283, 284, 434, or 1914 of title 18 of the United States
7 Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

8 (b) It shall be the duty of the Commission to prepare
9 and present to the Congress, not later than April 15, 1957,
10 the necessary draft, or drafts, of legislation which in its
11 opinion will bring about the greatest practical use for in-
12 dustrial purposes of agricultural products not needed for
13 human or animal consumption, including, but not limited to,
14 use in the manufacture of rubber, industrial alcohol, motor
15 fuels, plastics, and other products.

16 (c) There is hereby authorized to be appropriated such
17 sum, not to exceed \$150,000, as may be necessary to enable
18 the Commission to carry out its functions.

19 (d) Upon submission of the draft or drafts referred
20 to in subsection (b), the Commission shall cease to exist.

21 (e) (1) Any bill or joint resolution embodying a draft
22 or drafts of proposed legislation presented to the Congress
23 under subsection (b) shall, upon introduction in the Senate
24 or House of Representatives, be referred to the Committee
25 on Agriculture and Forestry of the Senate or the Committee

1 on Agriculture of the House of Representatives, as the
2 case may be. Such committee shall proceed as expeditiously
3 as possible to consider such bill or joint resolution.

4 (2) This subsection is enacted by the Congress (A)
5 as an exercise of the rulemaking power of the Senate and
6 the House of Representatives, respectively, and as such
7 shall be considered as part of the rules of each House,
8 respectively, and (B) with full recognition of the con-
9 stitutional right of either House to change such rules (so
10 far as they relate to the procedure in such House) at any
11 time, in the same manner and to the same extent as in the
12 case of any other rule of such House.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. CURTIS to the bill (S. 3183) to provide an improved farm program.

MARCH 9 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN, Mr. YOUNG, and Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program, viz: On page 49, after line 20, add the following new title:

1 TITLE VII—FOOD ALLOTMENT PROGRAM

2 GENERAL PROVISIONS AND AUTHORITY

3 PURPOSES

4 SECTION 1. (a) It is hereby declared to be in the inter-
5 est of national security and the maintenance of the health,
6 efficiency, and morale of the American people that the sup-
7 plies of food available from time to time for domestic con-
8 sumption be efficiently distributed among the various sections
9 of the Nation and among persons in the various income

1 groups, and that the means of obtaining sufficient food for an
2 adequate diet be placed so far as possible within the reach
3 of every person in the Nation. It is further declared to be
4 essential to the national security and the general welfare that
5 production and consumption of agricultural products be
6 maintained at a high level as a means of maintaining a
7 healthy population and a strong, productive economy. It is
8 further declared that the operation of the national food-
9 allotment plan, as provided in this Act, is a desirable and
10 effective method of accomplishing the purposes hereinabove
11 set forth.

12 (b) It is further declared that nothing in this Act shall
13 be construed as intending or justifying the payment of inade-
14 quate wages or the lowering of standards of public assistance.

15 DEFINITIONS

16 SEC. 2. As used in this Act—

17 (a) The term “Secretary” means the Secretary of
18 Agriculture.

19 (b) The term “household”, subject to such further
20 definition as the Secretary may specify, shall mean a do-
21 mestic unit consisting of one or more persons occupying
22 a common home or noncommercial, nonpenal institution
23 and for whom food is customarily purchased in common.
24 Households shall be classified for the purposes of this Act
25 according to number of members and monthly income.

(c) The term "basic food allotment" shall mean the following amounts of food per person per week or the equivalent thereof in nutritional value as determined by the Secretary:

Milk, and its equivalent in cheese, evaporated milk, or dry milk, five and one-quarter quarts.

Potatoes and sweetpotatoes, three pounds, seven ounces.

Dry beans, peas, and nuts, eight ounces.

Tomatoes and citrus fruits, one pound, ten ounces.

Green or yellow vegetables, such as green cabbage, kale, snap beans, and carrots, one pound, nine ounces.

Other vegetables and fruit, two pounds, six ounces.

Eggs, four.

Meat, poultry, and fish, one pound, twelve ounces.

Flour and cereals, four pounds, four ounces (enriched or whole grain).

Fats and oils, fourteen ounces.

Sugars, sirups, and preserves, eleven ounces.

The Secretary may add to or delete commodities listed, or may change quantities in the several categories if he deems such changes necessary or appropriate to provide an adequate diet in view of new research in nutrition, and may increase the basic food allotment for those individuals or groups who are in need of special nutritional supplements.

(d) The term "food-allotment coupon" shall mean a

1 coupon, stamp, token, or other medium of exchange issued
2 to an eligible recipient pursuant to the provisions of this Act.

3 (e) The term "household income" shall mean the
4 total amount of money received by all persons in a house-
5 hold and available to pay the ordinary expenses of the house-
6 hold less—

7 (1) such portions of the amounts received by such
8 persons from any public agency as assistance payments
9 on the basis of individual needs as the Secretary may,
10 after consultation with the appropriate State or local
11 welfare agency, deem it advisable to exclude in the inter-
12 est of maintenance of standards of public assistance; and

13 (2) such portions of the amounts received by such
14 persons, other than the head of the household or his
15 spouse, as the Secretary may deem it equitable to ex-
16 clude in computing the income of such household.

17 ESTABLISHMENT OF THE FOOD-ALLOTMENT PROGRAM

18 SEC. 3. (a) The Secretary shall establish and admin-
19 ister a national food-allotment program in accordance with
20 the provisions of this Act, and shall make rules and regula-
21 tions for the conduct thereof. Under such program the
22 Secretary may issue to households applying therefor food-
23 allotment coupons, as hereinafter set forth, which shall be

1 transferable by the recipient thereof to mercantile establish-
2 ments registered in accordance with the provisions of this
3 Act in exchange for food at the prices currently prevailing in
4 the establishment of the transferee, and shall be redeemable
5 at face value upon presentation to the Treasury by any
6 authorized transferee thereof.

7 (b) The Secretary shall determine at least semiannually
8 the prevailing retail cost of the basic food allotment for
9 households within each size classification, taking into con-
10 sideration the purchasing practices of families with low
11 income. If he deems it necessary, the Secretary, in deter-
12 mining the prevailing cost of the basic food allotments, may
13 provide for regional differentials and differentials by size
14 and type of community.

15 (c) The face value of the food-allotment coupons which
16 may be sold to any household shall be not greater than the
17 prevailing retail cost of the basic food allotment of such
18 household less the prevailing retail cost of—

19 (1) the food produced and consumed by such
20 household or which, in the opinion of the Secretary,
21 should be produced by such household for household
22 consumption; and

23 (2) to the extent that the Secretary determines that

1 such deduction is consistent with the purposes of the
2 program, the food consumed by members of such house-
3 hold in meals eaten outside of such household.

4 PRICES TO BE CHARGED FOR COUPONS

5 SEC. 4. (a) The Secretary shall from time to time
6 determine the prices to be charged to various households for
7 food-allotment coupons, other than free coupons issued under
8 the provisions of subsection (c) of this section, and shall
9 establish such prices at levels that will effectuate the pur-
10 poses of this Act. Such prices shall be not less than 25
11 per centum of the face value of the coupons and shall be
12 so fixed that the cost of the coupons required to purchase
13 the basic food allotment for a household shall not be more
14 than 40 per centum of the household income or 25 per
15 centum of the face value of the coupons, whichever may
16 be the greater.

17 (b) If the Secretary finds such action necessary to
18 assure the realization of the purposes of the program, he
19 may require any unemployed male member of a household
20 applying for food-allotment coupons, who is between the
21 ages of sixteen and sixty-five and is not attending school or
22 disabled, to submit (1) a certificate from a public employ-
23 ment office that he is registered for work, and (2) an
24 affirmation that he has not within the past six weeks refused
25 suitable work.

1 (c) In order that the increased food consumption re-
2 sulting from the administration of this Act may be concen-
3 trated, insofar as practicable, upon those foods which are in
4 surplus, or upon those foods which are most needed in diets,
5 the Secretary may (1) require that each household to whom
6 food-allotment coupons are issued use not more than $33\frac{1}{3}$
7 per centum in face value of such coupons to buy specifically
8 designated foods, or to buy any one or more of a group of
9 foods, or (2) include with food-allotment coupons sold other
10 such coupons which from time to time may be used in ex-
11 change for specifically designated foods. The aggregate
12 value of free coupons issued shall be not more than 10 per
13 centum of the aggregate value of coupons sold in the preced-
14 ing six-month period or estimated as likely to be sold in the
15 current six-month period. The Secretary may vary the value
16 of the free coupons issued to households or differing income
17 and composition, according to the same criteria used in fixing
18 the purchase price of coupons sold.

19 (d) If the Secretary finds that the funds available for
20 expenditure in accordance with the provisions of this Act
21 are insufficient to meet the cost of providing food-allotment
22 coupons representing the prevailing retail cost of the basic
23 food allotment for all households expected to participate in
24 the program, he may make such adjustments in the program
25 as he finds necessary to secure maximum participation among

1 households with low per capita income, or he may limit the
2 program to specific areas.

3 DISCRIMINATION PROHIBITED

4 SEC. 5. There shall be no discrimination against any
5 household with respect to eligibility, classification, participa-
6 tion, or issuance or utilization of food-allotment coupons
7 under the provisions of this Act by reason of race, religious
8 creed, national origin, citizenship, political affiliations or
9 beliefs, occupation, employment, or other tests, except as
10 provided for in this Act and as may be necessary to insure
11 general fairness and equity in the application of this Act.

12 INFORMATION TO BE FURNISHED BY APPLICANTS

13 SEC. 6. (a) Each applicant for food-allotment coupons
14 shall furnish such information with respect to the size and
15 income of the household of which he is a member as may
16 be required by the Secretary to determine the value of food-
17 allotment coupons to which such household is entitled and
18 the price to be paid for such coupons.

19 (b) The Secretary shall establish appropriate proce-
20 dures for appealing from the determination of the value of
21 coupons issuable to a household and the prices chargeable
22 for them.

23 (c) The value of the coupons to which each participat-
24 ing household is entitled shall be redetermined and certified

1 at least twice in each twelve-month period in accordance
2 with rules and regulations issued by the Secretary.

3 ISSUANCE AND LIMITATION ON USE

4 SEC. 7. Food-allotment coupons shall be issued in such
5 denominations as the Secretary shall determine. The Sec-
6 retary, or his designated issuing agents, shall issue coupons
7 in such manner, and at such times and places, as the Secre-
8 tary may determine, taking into consideration efficiency of
9 administration and the convenience of those entitled to
10 receive such coupons.

11 REDEMPTION OF FOOD-ALLOTMENT COUPONS

12 SEC. 8. (a) The Secretary shall provide for redemption,
13 through the cooperation of the Treasury Department, the
14 General Accounting Office, and banking institutions through-
15 out the Nation, of food-allotment coupons exchanged for
16 food. He shall designate banking institutions to accept such
17 coupons from sellers of food at retail and wholesale. Insti-
18 tutions so designated shall pay at time of presentation in
19 cash or by credit to a demand deposit the full value of all
20 such coupons presented to them, except any amount which
21 the Secretary in any particular instance directs the institution
22 to withhold.

23 (b) The banking institutions accepting food-allotment

1 coupons as provided in subsection (a) of this section may
2 present to the Secretary, or such other agency, including
3 the Treasury Department, as the Secretary may designate,
4 evidence of the deposit with them of coupons from persons
5 authorized to redeem such coupons, together with appro-
6 priate vouchers. Such evidence of deposit and vouchers
7 shall be considered complete documentation for payment and
8 payments may be made thereon. Food-allotment coupons
9 so redeemed may be reissued or delivered for reissuance by
10 the banking institutions under regulations of the Secretary.

11 (c) The Secretary may advance moneys to banking
12 institutions, where such action appears necessary, to provide
13 funds for the redemption of food-allotment coupons. Such
14 advances shall be accounted for by such banking institution
15 or institutions not less often than once monthly.

16 (d) The Secretary may contract to pay banking institu-
17 tions designated to receive food-allotment coupons a charge
18 determined by the Secretary to be reasonable for the services
19 rendered in acting as such depositories.

20 (e) Funds derived from the sale of food-allotment
21 coupons shall be available for expenditure in accordance with
22 the provisions of this Act and may be deposited to the
23 credit of any appropriation provided for the purpose of
24 carrying out the provisions of this Act or may be deposited

1 directly with banking institutions as advanced moneys pur-
2 suant to subsection (c) of this section.

3 REGISTRATION OF FOOD DEALERS

4 SEC. 9. The Secretary shall provide by regulation a
5 simple method for the registration of mercantile establish-
6 ments selling food at wholesale or retail which desire to be
7 authorized to receive food-allotment coupons in exchange
8 for food. Such registration shall constitute a privilege to
9 receive food-allotment coupons, which privilege shall be
10 enjoyed until suspended or revoked by the Secretary in
11 accordance with the provisions of this Act and the rules
12 and regulations prescribed by him.

13 COUNCIL ON NUTRITION

14 SEC. 10. The Secretary shall provide for the appoint-
15 ment of a Council on Nutrition to advise on nutritional
16 aspects of the food-allotment program.

17 TITLE II—ADMINISTRATION AND ENFORCEMENT

18 SEC. 201. (a) There are hereby authorized to be appro-
19 priated such sums as may be necessary to carry out the
20 provisions of this Act.

21 (b) The Secretary shall have authority to make such
22 expenditures, not exceeding 5 per centum of the funds
23 appropriated for the purposes of this Act, as he may deem
24 necessary for the administration and enforcement of this

1 Act, including personal services and rents at the seat of
2 government or elsewhere, printing and binding, lawbooks,
3 books of reference, directories, periodicals and newspapers,
4 and the purchase, maintenance, operation, and repair of
5 motor-propelled passenger-carrying vehicles.

6 (c) For the purpose of this Act, the Secretary is
7 authorized—

8 (1) to utilize the facilities, services, and personnel
9 of units and agencies within the Department of Agricul-
10 ture; to establish regional and local offices; to enter into
11 agreements with other public or private agencies or in-
12 dividuals; to utilize (pursuant to such agreements) the
13 facilities and services of such agencies and individuals
14 and to delegate to them functions under this Act; and to
15 allocate or transfer funds to, or otherwise to pay or to re-
16 imburse, such units, agencies, and individuals for ex-
17 penses in connection therewith;

18 (2) to accept and utilize voluntary and uncompen-
19 sated services; and

20 (3) to employ in the District of Columbia and else-
21 where such employees as he deems necessary in order
22 to carry out the purposes of this Act.

23 (d) The Secretary may exercise any power, duty, or
24 discretion vested in him under this Act, through such person
25 or persons as he may designate.

1 (e) The Secretary may conduct such economic studies
2 as he deems necessary to the efficient and equitable adminis-
3 tration of this Act.

4 (f) The provisions of section 3709 of the Revised
5 Statutes shall not apply to the purchase (for the purposes
6 of this Act) of services rendered by banking institutions or
7 by agencies.

8 (g) The Secretary may, from time to time, issue such
9 rules and regulations as he deems necessary or proper in
10 order to carry out the purposes and provisions of this Act.

11 INVESTIGATIONS, RECORDS, REPORTS

12 SEC. 202. (a) In the enforcement and administration of
13 this Act and the rules and regulations issued pursuant thereto,
14 the Secretary shall be entitled to obtain information from,
15 and make audits or inspections of, the books, records, and
16 other writings, premises, or property of, any person or
17 mercantile establishment selling food at wholesale or retail
18 who desires to be or is authorized to receive food-allotment
19 coupons, and of any person or household receiving food-
20 allotment coupons. For the purpose of obtaining any infor-
21 mation, verifying any report required, or making any inves-
22 tigation authorized by this subsection, the Secretary may
23 hold hearings, sign and issue subpoenas, administer oaths and
24 affirmations, and may require by subpoena or otherwise the
25 attendance and testimony of witnesses and the production of

1 any books, or records, or any other documentary or physical
2 evidence which may be relevant to the inquiry.

3 (b) In case of disobedience to a subpoena, the Secretary
4 may invoke the aid of any district court of the United
5 States in requiring the attendance and testimony of witnesses
6 and the production of accounts, records, and memoranda.
7 Any district court of the United States within the jurisdiction
8 of which any proceeding or investigation is carried on may
9 in case of contumacy or refusal to obey a subpoena issued to
10 any person, issue an order requiring the person to appear
11 before the Secretary or his agent or to produce accounts,
12 records, and memoranda if so ordered, or to give evidence
13 touching any matter relevant thereto; and any failure to
14 obey such order of the court shall be punished by the court
15 as a contempt thereof.

16 (c) Witnesses shall be paid the same fees and mileage
17 that are paid witnesses in the courts of the United States.
18 No person shall be excused from attending and testifying
19 or from producing any books, records, or other documentary
20 evidence or certified copies thereof, or physical evidence
21 in obedience to any such subpoena, in any investigation or
22 proceeding herein, on the ground that the testimony or
23 evidence, documentary or otherwise, required of him may
24 tend to incriminate him or subject him to a penalty or
25 forfeiture; but no individual shall be subject to prosecution

1 and punishment or to any penalty or forfeiture for or on
2 account of any transaction, matter, or thing concerning which
3 he is compelled to testify or produce evidence, documentary
4 or otherwise, after having claimed his privilege against self-
5 incrimination, except that any such individual so testifying
6 shall not be exempt from prosecution and punishment for
7 perjury committed in so testifying.

8 EDUCATIONAL PROGRAM

9 SEC. 203. As a part of the food-allotment plan, the Sec-
10 retary shall provide, in cooperation with existing agencies
11 of the Federal, State, or local governments, or private per-
12 sons or groups, an educational program for improving the
13 buying habits, food-utilization techniques, and food-preser-
14 vation methods of the participants in the food-allotment
15 plan.

16 SUSPENSION PROCEEDINGS

17 SEC. 204. (a) The Secretary is authorized to suspend
18 from participation in the food-allotment plan any State or
19 area, if he finds after due notice and opportunity for hearing
20 that any agency of such State or area serving in the
21 administration of this Act has knowingly or willfully violated
22 any provision of this Act or of any rule or regulation issued
23 by him under the provisions of this Act, or submitted in-
24 accurate data with respect to size or income of households
25 certified, or made inaccurate certification of value of coupons

1 to be issued, or issued coupons, or any instrument redeem-
2 able therefor, to a person or household not entitled thereto,
3 or in an incorrect amount.

4 (b) The Secretary is authorized and directed to provide
5 by rules and regulations for the suspension from partici-
6 pation in the food-allotment plan of any registered food
7 dealer, participating household, or banking institution found
8 by him, after due notice and opportunity for hearing, to
9 have violated any provisions of this Act, or rule or regulation
10 issued pursuant to this Act.

11 (c) The Secretary may direct the suspension of or
12 withholding of payment of any claim presented to him, or
13 to any banking institution or Government department or
14 office, based on food-allotment coupons, and may deny pay-
15 ment on any such claim or any part of such claim after notice
16 and opportunity for hearing in accordance with rules and
17 regulations issued by the Secretary whenever he has reason
18 to believe that such claim, or part of such claim, is based
19 on food-allotments coupons obtained in violation of the pro-
20 visions of this Act, or regulations issued pursuant thereto.
21 Any determination by the Secretary or the person or em-
22 ployee designated by him for such purpose denying payment
23 on such claim or any part thereof shall be final, except that
24 if the amount denied payment exceeds \$50, a review of such

1 determination may be had by a trial de novo in the appro-
2 priate district court of the United States.

3 (d) The Secretary shall have the power by order in
4 writing to compromise any claim or claims based on food-
5 allotment coupons, which compromise shall be final and
6 conclusive, except on a showing of fraud, malfeasance, or
7 misrepresentation of a material fact.

8 REVIEW

9 SEC. 205. Any State or area, registered food dealer,
10 participating household, or banking institution suspended
11 from participation in the food-allotment plan pursuant to this
12 Act or the regulations issued thereunder may, within thirty
13 days after receiving notice of such suspension, institute pro-
14 ceedings for the review thereof by filing a written petition
15 in the district court of the United States in which the peti-
16 tioner resides or in which is situated his place of business
17 affected by such suspension; but the commencement of such
18 proceedings shall not operate as a stay of such suspension
19 unless it is specifically so ordered by the court. A copy
20 of such petition shall be served upon the Secretary or such
21 other person as may be designated by him. The court
22 shall have jurisdiction to affirm, suspend, modify, or set aside
23 any such determination or order, or enter such other judg-
24 ment or decree as may be just. The finding of the Secretary

1 as to the facts, if supported by substantial evidence, shall be
2 conclusive. The court may order additional evidence to be
3 taken before the Secretary or his representative. The judg-
4 ment and decree of the court shall be final, subject to review
5 as provided in title 28, United States Code, sections 1254
6 and 1291.

7
8 CRIMINAL PROVISIONS

8 SEC. 206. (a) Whoever shall falsely make, alter, forge,
9 or counterfeit or cause or procure to be falsely made, altered,
10 forged, or counterfeited any food-allotment coupon or
11 coupon similar thereto for the purpose of obtaining or
12 receiving, or of enabling any other person to obtain or
13 receive, directly or indirectly, from the United States or any
14 of its officers or agents, any money or other thing of value,
15 and whoever shall transfer or utter as true, or cause to be
16 transferred or uttered as true, any such false, forged, altered,
17 or counterfeited food-allotment coupon or coupon similar
18 thereto, with intent to defraud the United States, or any
19 mercantile establishment, banking institution, or person, shall,
20 upon conviction thereof, be fined not more than \$5,000 or
21 imprisoned not more than ten years, or both.

22 (b) Any person not being so authorized by this Act
23 or the regulations issued pursuant thereto, who shall have

1 food-allotment coupons in his possession or under his con-
2 trol, or any person who shall use, transfer, or acquire food-
3 allotment coupons in any manner not authorized by this Act,
4 or the regulations issued pursuant thereto, or who shall buy,
5 sell, or exchange food-allotment coupons without being au-
6 thorized to do so by this Act or regulations issued pursuant
7 thereto shall be guilty of a misdemeanor and shall, upon con-
8 viction thereof, be fined not more than \$10,000 or im-
9 prisoned for not more than one year, or both.

10 TITLE III—MISCELLANEOUS

11 REPORTS TO CONGRESS

12 SEC. 301. The Secretary shall render semiannual re-
13 ports to Congress describing the operations of the food-
14 allotment plan, including the following: Number of eligibles
15 and participants, by the various classes of households estab-
16 lished; the reasons for nonparticipation of eligibles; effect of
17 the food-allotment plan on the expenditure habits of partici-
18 pants; extent to which the plan increases purchases of foods
19 of various types and other kinds of goods and services, for
20 the various classes of households; benefits derived from the
21 plan for the different types and groups of food sellers, whole-
22 salers, processors, and producers; extent of improper use of
23 food-allotment coupons; the amount and type of adminis-

1 trative expenditures incurred; and the effectiveness of alter-
2 native arrangements, procedures, and methods of adminis-
3 tration used in carrying out the program.

4 TERRITORIAL APPLICABILITY

5 SEC. 302. The provisions of this Act shall be applicable
6 to the United States, its Territories and possessions, and
7 the District of Columbia.

8 SEPARABILITY PROVISION

9 SEC. 303. If any provision of this Act or the applica-
10 tion thereof to any person or circumstance shall be held
11 invalid, the remainder of this Act and the application of such
12 provision to other persons or circumstances shall not be
13 affected thereby.

14 SHORT TITLE

15 SEC. 304. This Act may be cited as the "National Food
16 Allotment Act".

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. AIKEN, Mr. YOUNG, and Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program.

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY (for himself and Mr. LEHMAN) to the bill (S. 3183) to provide an improved farm program, viz: On page 30, between lines 17 and 18, insert the following:

USE OF VOLUNTARY AGENCIES

1
2 SEC. 310. That the Agricultural Trade Development
3 and Assistance Act of 1954, as amended, is amended as
4 follows:

5 (a) Section 201 is amended by striking out "free on
6 board vessels in United States ports,".

7 (b) Section 202 is amended by striking out the period
8 at the end thereof and inserting ": *Provided further*, That
9 such transfer may include delivery free on board vessels in

1 United States ports and, upon a determination by the Presi-
2 dent that it is necessary to accomplish the purposes of this
3 title, ocean freight charges from United States ports to desig-
4 nated ports of entry for such nations or populations.”

5 (c) Section 203 is amended by striking out “\$300,-
6 000,000” and inserting “\$500,000,000”.

7 (d) Section 203 is further amended by striking out the
8 comma following the words “United States ports”, and in-
9 serting “and ocean freight charges,”.

10 (e) Section 302 is amended by amending the fourth sen-
11 tence of section 416, as amended, by adding “processing”
12 after “reprocessing”, by striking out the period at the end
13 of the sentence, and by adding: “: *Provided, however, That*
14 upon a determination by the President that it is in the inter-
15 est of the United States, ocean freight charges from United
16 States ports to designated ports of entry may be paid from
17 funds available from title II of the Agricultural Trade Devel-
18 opment and Assistance Act of 1954.”

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. HUMPHREY (for himself and Mr. LEHMAN) to the bill (S. 3183) to provide an improved farm program.

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

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84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. HUMPHREY, Mr. CHAVEZ, Mr. YOUNG, and Mr. KERR), to the amendment proposed by Mr. HICKENLOOPER, designated 3-6-56—G, to the bill (S. 3183) to provide an improved farm program, viz: On page 7, after line 5, insert the following:

- 1 (d) The price of grain sorghums, barley, oats, and rye,
- 2 respectively, shall be supported through loans, purchases, or
- 3 other operations at a price determined by the Secretary to
- 4 bear the same ratio to the support price of corn as the feed
- 5 value equivalents of such grains bear to the feed value of
- 6 corn: *Provided*, That the producers of such commodities, to
- 7 be eligible for such price supports, shall have entered into
- 8 contracts with the Secretary to place into the acreage reserve

AMENDMENT

Proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. HUMPHREY, Mr. CHAVEZ, Mr. YOUNG, and Mr. KEER) to the amendment proposed by Mr. HICKENLOOPER, designated 3-6-56—G, to the bill (S. 3183) to provide an improved farm program.

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

1 or the conservation reserve a portion of the tillable acres
2 equivalent to 15 per centum of the acres devoted to produc-
3 tion of such commodities.

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IN THE SENATE OF THE UNITED STATES

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN (for himself, Mr. ANDERSON, Mr. HOLLAND, and Mr. WILLIAMS) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 2, beginning with line 3, strike out through
- 2 line 14 on page 3.

AMENDMENT

Intended to be proposed by Mr. AIKEN (for himself, Mr. ANDERSON, Mr. HOLLAND, and Mr. WILLIAMS) to the bill (S. 3183) to provide an improved farm program.

MARCH 8 (legislative day, MARCH 6), 1956
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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 8 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BARRETT to the bill (S. 3183)
to provide an improved farm program, viz: At the end of
the bill add a new title as follows:

1 TITLE VII—IMPORT QUOTA ON WOOLEN

2 FABRICS

3 STATEMENT OF POLICY

4 SEC. 701. The Congress hereby finds and declares that
5 wool and woolen fabrics are strategic commodities, that it
6 is important to the national welfare and security that a strong
7 woolen manufacturing industry be maintained, and that for
8 these reasons it is essential that a quota on imports of woolen
9 fabrics be established for the protection of such industry.

ESTABLISHMENT OF QUOTA

1
2 SEC. 702. The quantity of woven fabrics, wholly or in
3 chief value of wool, provided for in paragraphs 1108 and
4 1109 (a) of the Tariff Act of 1930, as amended, which may
5 be entered, or withdrawn from warehouse, for consump-
6 tion during any calendar year shall not exceed on a square-
7 yard basis 5 per centum of the production of similar fabrics
8 in the United States during the preceding calendar year,
9 as determined by the Secretary of Agriculture.

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2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. BARRETT to the bill (S. 3183) to provide an improved farm program.

MARCH 8 (legislative day, MARCH 6), 1956
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2D SESSION

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S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 8 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BYRD to the bill (S. 3183) to provide an improved farm program, viz: At the proper place in the bill, insert the following:

1 • Section 359 (a) of the Agricultural Adjustment Act of
2 1938, as amended, is amended by amending the first sen-
3 tence thereof to read as follows: "The marketing of any
4 peanuts in excess of the marketing quota for the farm on
5 which such peanuts are produced, or the marketing of peanuts
6 from any farm for which no acreage allotment was deter-
7 mined, shall be subject to a penalty at a rate equal to 75
8 per centum of the support price for peanuts for the market-
9 ing year (August 1-July 21)."

10 SEC. 310. Section 359 of the Agricultural Adjustment

1 Act of 1938, as amended, is amended by adding three new
2 subsections as follows:

3 “(d) The person liable for payment or collection of the
4 penalty provided by this section shall be liable also for
5 interest thereon at the rate of 6 per centum per annum from
6 the date the penalty becomes due until the date of payment
7 of such penalty.

8 “(e) Until the amount of the penalty provided by this
9 section is paid, a lien on the crop of peanuts with respect
10 to which such penalty is incurred, and on any subsequent
11 crop of peanuts subject to marketing quotas in which the
12 person liable for payment of the penalty has an interest,
13 shall be in effect in favor of the United States.

14 “(f) The Secretary is authorized to compromise any
15 claim for the penalty provided by this section at any time
16 prior to referral of such claim to the Department of Justice
17 for prosecution.”

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2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. BYRD to the bill
(S. 3183) to provide an improved farm
program.

MARCH 8 (legislative day, MARCH 6), 1956

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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MARTIN of Pennsylvania to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 48, beginning with line 3, strike out over
- 2 through line 20 on page 49.

3-7-56—N

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S. 3183

AMENDMENT

Intended to be proposed by Mr. MARTIN of Pennsylvania to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. BRICKER to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 On page 7, line 10, delete the word "and".
- 2 On line 11, after the number "55", insert "and cigar
- 3 filler tobacco types 42, 43, and 44,".
- 4 On page 8, line 24, delete the word "and".
- 5 On line 25, after the number "55", insert "and cigar
- 6 filler tobacco types 42, 43, and 44,".
- 7 On page 11, line 9, delete the word "and".
- 8 On line 10, after the number "55", insert "and cigar
- 9 filler tobacco types 42, 43, and 44,".

AMENDMENTS

Intended to be proposed by Mr. BRICKER to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956

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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. DOUGLAS to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 On page 8, line 11, after "hereof," insert: "under which
2 the tenants or sharecroppers share in that part of such certifi-
3 cate which represents acreage previously used or cultivated
4 by the tenant or sharecropper shall not be less than his
5 share of the crop or produce under his agreement with the
6 owner,".

3-7-56—M

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2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. Douglas to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HAYDEN to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 32, before the quotation marks at the end of
2 line 8, insert the following: "Where the acreage con-
3 tributed by a State to the national acreage reserve is in
4 excess of the acreage received from such reserve, an acreage
5 equal to such excess shall be deemed to have been planted
6 to cotton in the State in determining future State acreage
7 allotments; and where the acreage received by a State from
8 the national acreage reserve is in excess of the acreage con-
9 tributed to such reserve, such excess shall not be considered
10 to have been planted to cotton in the State in determining
11 future State acreage allotments."

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2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. HARDEN to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956
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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BENNETT to the bill (S. 3183)
to provide an improved farm program, viz: At the end of
the bill add the following:

1 At the end of the bill add the following:

2 TITLE VII—MISCELLANEOUS

3 SURVEY OF EXISTING SYSTEM OF GRADING MEAT

4 SEC. 701. The Secretary of Agriculture is authorized and
5 directed to make a full and complete study of the existing
6 system of grading beef, veal, lamb, and mutton, with a view
7 to determining whether such system serves the best interests
8 of both consumers and producers. In making such study,
9 the Secretary shall give due consideration to problems of con-
10 sumers and producers in the various regions of the country,

1 and in the course of such study he shall use the services and
2 facilities of land grant colleges wherever practicable. The
3 Secretary shall report to the Congress at the earliest practi-
4 cable date the results of his study together with such rec-
5 ommendations as he may deem desirable for improvement in
6 such system.

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Intended to be proposed by Mr. BENNETT to the
bill (S. 3183) to provide an improved farm
program.

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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. DOUGLAS to the bill
(S. 3183) to provide an improved farm program, viz: On
page 36, between lines 14 and 15, insert the following:

1 CORN ACREAGE ALLOTMENTS

2 SEC. 406. Section 329 (b) of the Agricultural Act

3 of 1938, as amended, is amended by adding at the end

4 thereof a new sentence as follows: "In determining past

5 production of corn on the farm for such purpose, production

6 on acreage planted in any year in excess of the acreage

7 allotment for such farm for such year shall not be counted."

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. Douglas to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956
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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill
(S. 3183) to provide an improved farm program, viz:

1 On page 10, line 21, before the period insert a colon
2 and the following: "*Provided*, That no rate or rates so
3 determined by the Secretary shall become effective unless
4 they shall have been submitted to the Committee on Agri-
5 culture and Forestry of the Senate and the Committee on
6 Agriculture of the House of Representatives, and shall have
7 been approved by such committees within thirty days after
8 the date of such submission."

3-7-56—O

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2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

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2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 15, line 2, strike out "appropriate." and all of
- 2 the balance of lines 2, 3, 4, and 5, and insert the following:
- 3 "appropriate: *Provided*, That no rate or rates so determined
- 4 by the Secretary shall become effective unless they shall
- 5 have been submitted to the Committee on Agriculture and
- 6 Forestry of the Senate and the Committee on Agriculture of
- 7 the House of Representatives, and shall have been approved
- 8 by such committees within thirty days after the date of such
- 9 submission."

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. O'MANONEY to
the bill (S. 3183) to provide an improved
farm program.

MARCH 7 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. STENNIS (for himself and Mr. EASTLAND) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 32, before the quotation marks at the end of
- 2 line 8, insert the following: "Where the acreage contributed
- 3 by a State to the national acreage reserve is in excess of the
- 4 acreage received from such reserve for any year, an acreage
- 5 equal to the product of such excess multiplied by the per
- 6 centum which the cotton acreage history otherwise deter-
- 7 mined for the State for such year bears to the State acreage
- 8 allotment for such year shall be added to the cotton acreage
- 9 history otherwise determined for the State for such year for

1 purposes of apportioning the national acreage allotment to
2 States under this subsection for any subsequent year; and
3 where the acreage received by a State from the national
4 acreage reserve is in excess of the acreage contributed to
5 such reserve for any year, an acreage equal to the product
6 of such excess multiplied by the per centum which the cot-
7 ton acreage history otherwise determined for the State bears
8 to the State acreage allotment shall be deducted from the
9 cotton acreage history otherwise determined for the State for
10 such year for purposes of apportioning the national acreage
11 allotment to States under this subsection for any subsequent
12 year.”

March 1, 1900
No. 100

MEMORANDUM

23183

AMENDMENT

Intended to be proposed by Mr. STENNIS (for himself and Mr. EASTLAND) to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956

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84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CASE of South Dakota to the
bill (S. 3183) to provide an improved farm program, viz:

1 On page 1, line 11, strike out the words "and 1957".

3-7-56—I

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. Case of South
Dakota to the bill (S. 3183) to provide an
improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. STENNIS (for himself, Mr. EASTLAND, Mr. McCLELLAN, Mr. FULBRIGHT, Mr. SPARKMAN, Mr. THURMOND, Mr. HILL, and Mr. ERVIN) to the bill (S. 3183) to provide an improved farm program, viz: On page 31, between lines 10 and 11, insert the following new section:

- 1 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958
- 2 SEC. 403. Section 342 of the Agricultural Adjustment
- 3 Act of 1938, as amended, is hereby amended by adding at
- 4 the end thereof the following: "Notwithstanding the forego-
- 5 ing provisions of this section, the national marketing quota
- 6 for cotton for 1957 and 1958 shall be not less than the
- 7 number of bales required to provide a national acreage
- 8 allotment for 1957 and 1958 equal to the national acreage
- 9 allotment for 1956."

AMENDMENT

Intended to be proposed by Mr. STENNIS (for himself, Mr. EASTLAND, Mr. McCLELLAN, Mr. FULBRIGHT, Mr. SPARKMAN, Mr. THURMOND, Mr. HILL, and Mr. ERVIN) to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 7 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HAYDEN to the bill (S. 3183)
to provide an improved farm program, viz: On page 27,
strike out lines 13 through 18, inclusive, and insert in lieu
thereof the following:

1 SEC. 304. (a) Hereafter the quota for cotton having
2 a staple length of one and one-eighth inches or more, estab-
3 lished September 20, 1939, pursuant to section 22 of the
4 Agricultural Adjustment Act of 1933, as amended, shall
5 apply to the same grades and staple lengths included in the
6 quota when such quota was initially established.

7 (b) Effective not later than August 1, 1956, the Sec-
8 retary of Agriculture and the Commodity Credit Corpora-

1 tion are directed to use their existing powers and authori-
2 ties to encourage the sale for export at competitive world
3 prices a quantity of domestically produced extra long staple
4 cotton equal to the amount of such cotton acquired by and
5 brought to the United States pursuant to the Act of June 7,
6 1939, which acquisition was not limited by the quota estab-
7 lished pursuant to section 22 of the Agricultural Adjustment
8 Act of 1933, as amended. The amount offered and the price
9 accepted by the Secretary and the Commodity Credit Corpo-
10 ration shall be such as to dispose of such quantity in an
11 orderly manner and within a reasonable period of time.

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. HAYDEN to the bill (S. 3183) to provide an improved farm program.

MARCH 7 (legislative day, MARCH 6), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ELLENDER to the bill (S. 3183)
to provide an improved farm program, viz: On page 36
between lines 14 and 15 insert the following:

1 SEC. 406. Paragraph (13) of section 301 (b) of the
2 Agricultural Adjustment Act of 1938, as amended, is
3 amended by (1) redesignating subparagraph (E) as sub-
4 paragraph (G); and (2) changing subparagraph (D) to
5 read as follows:

6 “(D) ‘Normal yield’ for any county, in the case of rice,
7 shall be the average yield per acre of rice for the county
8 during the five calendar years immediately preceding the
9 year for which such normal yield is determined, adjusted
10 for abnormal weather conditions and for trends in yields.

1 If for any such year data are not available, or there is no
2 actual yield, an appraised yield for such year, determined in
3 accordance with regulations issued by the Secretary, taking
4 into consideration the yields obtained in surrounding coun-
5 ties during such year and the yield in years for which data
6 are available, shall be used as the actual yield for such year.

7 “(E) ‘Normal yield’ for any farm, in the case of rice,
8 shall be the average yield per acre of rice for the farm
9 during the five calendar years immediately preceding the
10 year for which such normal yield is determined, adjusted for
11 abnormal weather conditions and for trends in yields. If
12 for any such year the data are not available or there is no
13 actual yield, then the normal yield for the farm shall be
14 appraised in accordance with regulations issued by the Sec-
15 retary, taking into consideration abnormal weather condi-
16 tions, trends in yields, the normal yield for the county,
17 the yields obtained on adjacent farms during such year and
18 the yield in years for which data are available.

19 “(F) In applying subparagraphs (D) and (E), if on
20 account of drought, flood, insect pests, plant disease, or
21 other uncontrollable natural cause, the yield for any year
22 of such five-year period is less than 75 per centum of the
23 average, 75 per centum of such average shall be substituted
24 therefor in calculating the normal yield per acre. If, on
25 account of abnormally favorable weather conditions, the

1 yield for any year of such five-year period is in excess of
2 125 per centum of the average, 125 per centum of such
3 average shall be substituted therefor in calculating the normal
4 yield per acre.”

AMENDMENT

Intended to be proposed by Mr. BLUNDER to the bill (S. 3183) to provide an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HICKENLOOPER (for himself, Mr. AIKEN, Mr. MARTIN of Iowa, Mr. DIRKSEN, Mr. JENNER, and Mr. CAPEHART) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 7, line 5, immediately following "SEC. 203."
2 "SEC. 203."
3 insert "(a)".

4 Page 7, line 15, insert before the period the language
5 ", or in the case of corn, below their farm acreage allot-
6 ments or their farm base acreages established as provided
7 under subsection (b) of this section 203, whichever is in
8 effect".

9 Page 7, line 16, change "(a)" to "(1)".

1 Page 7, line 17, insert after the words "acreage allot-
2 ment," the following: "or, in the case of corn, his farm
3 acreage allotment or farm base acreage, whichever is in
4 effect".

5 Page 7, line 18, change "(b)" to "(2)".

6 Page 7, line 21, change "(c)" to "(3)".

7 Page 8, between lines 19 and 20, insert the following:

8 “(b) (1) Not later than February 1 of each calendar
9 year in which an acreage reserve program will be in effect
10 for corn, the Secretary shall, subject to paragraph (2)
11 hereof, ascertain and proclaim (i) the commercial corn-
12 producing area provided for in section 301 (b) (4) of the
13 Agricultural Adjustment Act of 1938, as amended (7
14 U. S. C. 1301 (b) (4)), and (ii) the total base acreage
15 of corn for the commercial corn-producing area for such
16 calendar year. For 1956 the commercial corn-producing
17 area previously proclaimed shall remain in effect, and the
18 total base acreage of corn for the commercial corn-producing
19 area shall be proclaimed as soon as practicable after the
20 effective date of this Act. Such total base acreage shall
21 be the average acreage planted to corn in the commercial
22 corn-producing area during the three years 1953, 1954,
23 and 1955. The total base acreage of corn for the commercial
24 corn-producing area shall be apportioned by the Secretary
25 among the counties in such area on the basis of the acreage

1 of corn in such counties during the five calendar years
2 immediately preceding the calendar year in which the
3 apportionment is made (plus, in applicable years, the acreage
4 diverted under previous agricultural adjustment, conserva-
5 tion and soil bank programs), with adjustments for abnormal
6 weather conditions, for trends in acreage during such period
7 and for the promotion of soil-conservation practices: *Pro-*
8 *vided*, That any downward adjustment for the promotion
9 of soil-conservation practices shall not exceed 2 per centum
10 of the total base acreage that would otherwise be apportioned
11 to such county. The base acreage for the county shall be
12 apportioned by the Secretary, through the local committees,
13 among the farms within the county on the basis of past
14 acreage of corn (planted and diverted), tillable acreage,
15 crop-rotation practices, type of soil, and topography.

16 “(2) This subsection (b) shall become inoperative
17 after 1956 if in the referendum conducted pursuant to sec-
18 tion 406 hereof, producers do not vote in favor of the pro-
19 gram provided in subsection (c) of such section.”

20 Page 9, line 8, insert after the words “as amended”
21 the following: “or, in the case of corn, their acreage allot-
22 ments or farm base acreages, whichever is in effect”.

23 Page 9, line 13, beginning with the word “Producers”
24 strike down through the word “upon” in line 14, on page
25 10, and substitute therefor the following: “Producers shall

1 be compensated for participating in the acreage reserve pro-
2 gram through the issuance of negotiable certificates which
3 the Commodity Credit Corporation shall redeem in accord-
4 ance with regulations prescribed by the Secretary—(1) in
5 cash upon presentation by the producer or by any holder
6 in due course or (2) at the option of the producer in the
7 case of certificates issued with respect to grains and upon
8 presentation by him, in grains (such grains to be valued by
9 the Secretary at such levels as he determines will not mate-
10 rially impair the market price for such grain yet will, to the
11 maximum extent practicable encourage acceptance of pay-
12 ment in grains in lieu of cash) : *Provided*, That disposition
13 of quantities of stocks hereunder in any one year shall be
14 limited to not more than two-thirds of such quantities of
15 such commodities as the Secretary determines would be a
16 reasonable estimate of what would have been produced for
17 marketing during such marketing year on the acreage with-
18 held from production under the provisions of this Act: *And*
19 *provided further*, That such stocks shall not be released prior
20 to the end of the normal harvesting season for the particular
21 commodity being released”.

22 Page 10, line 21, after the period insert the following
23 sentence: “The rates of payment offered under this section
24 shall be such as to encourage producers to underplant their
25 allotments more than one year.”

1 Page 21, line 14, revise the first sentence of section
2 215 to read as follows: "No person shall be eligible for pay-
3 ments of compensation under this Act with respect to any
4 farm for any year in which the acreage of any basic agri-
5 cultural commodity other than wheat or corn on the farm
6 exceeds the farm acreage allotment for the commodity under
7 title III of the Agricultural Adjustment Act of 1938, as
8 amended, or the wheat acreage on the farm exceeds the
9 larger of the farm wheat acreage allotment under such title
10 or fifteen acres, or the corn acreage on the farm exceeds the
11 farm base acreage for corn."

12 Page 21, line 23, following the word "allotment", insert
13 the following: "or farm base acreage for corn".

14 Page 36, between lines 14 and 15, insert:

15 "SEC. 406. (a) Notwithstanding any other provision of
16 law, and in lieu of corn acreage allotments for 1956 (which
17 shall be inoperative for 1956), the Secretary shall require
18 as a condition of eligibility for price support on corn, that
19 the producer agree to devote an acreage of cropland (tilled
20 in normal rotation), at the option of the producer, to either
21 the acreage reserve program or the conservation reserve
22 program, equal to 15 per centum of such producer's farm
23 base acreage for corn. The producer by electing to partici-
24 pate in the acreage reserve program, underplanting his
25 farm base acreage for corn, and otherwise complying with

1 the provisions of section 203 hereof, shall earn a payment
2 under subtitle A of this title. The producer by electing to
3 participate in the conservation reserve program and other-
4 wise complying with the provisions of section 207 hereof
5 shall earn a conservation reserve payment under subtitle
6 B of this title.

7 “(b) Not later than December 15, 1956, the Secretary
8 shall conduct a referendum of producers of corn in 1956 in
9 the commercial corn-producing area to determine whether
10 such producers favor a price-support program as provided in
11 subsection (c) of this section for the 1957 and subsequent
12 crops in lieu of acreage allotments as provided in the Agri-
13 cultural Adjustment Act of 1938, as amended, and price
14 support as provided in section 101 of the Agricultural Act
15 of 1949, as amended.

16 “(c) Notwithstanding any other provision of law, if
17 two-thirds or more of the producers voting in the referendum
18 conducted pursuant to subsection (b) hereof favor a price-
19 support program as provided in this subsection (c), no
20 acreage allotment of corn shall be established for the com-
21 mercial corn-producing area, for any county, or for any farm,
22 with respect to the 1957 and subsequent crops, and price

1 support made available for such crops by Commodity Credit
2 Corporation shall be at such level as the Secretary deter-
3 mines will assist producers in marketing corn in the normal
4 channels of trade but not encourage the uneconomic produc-
5 tion of corn."

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. HICKENLOOPER
(for himself, Mr. Aiken, Mr. Martin of
Iowa, Mr. Dirksen, Mr. Jenner, and Mr.
Carnegie) to the bill (S. 3183) to provide
an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. ALLOTT, Mr. BENNETT, Mr. BIBLE, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DANIEL, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HRUSKA, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MURRAY, Mr. WATKINS, and Mr. WELKER) to the bill (S. 3183) to provide an improved farm program, viz: On page 8, at the end of line 19, insert the following:

1 Before any producer is entitled to receive any com-
2 pensation for participating in the acreage reserve program,
3 he must first execute in legal form to be prescribed by the
4 Secretary a contract, which contract shall, in addition to
5 such other conditions as may be prescribed by the Secre-
6 tary, contain provisions by the terms of which such producer
7 shall agree:

8 (a) In the event that the Secretary determines that

1 there has been a violation of the contract at any stage during
2 the time such producer has control of the farm and that such
3 violation is of such a nature as to warrant termination of the
4 contract, to forfeit all rights to further payments or grants
5 under the contract, to refund to the United States all pay-
6 ments and grants theretofore received by him thereunder
7 during the crop year in which the violation occurred, to
8 forfeit all price support benefits he may otherwise be entitled
9 to receive under the provisions of the Agricultural Act of
10 1949, as amended, and to refund to the United States all
11 such benefits theretofore received by him under the pro-
12 visions of said Act during the crop year in which such
13 violations occurred.

14 (b) In the event that the Secretary determines that
15 for any year there has been a violation of the contract but
16 that such violation is of such a nature as not to require or
17 warrant termination of the contract, to accept such pay-
18 ment adjustments and forfeit such benefits under the con-
19 tract and under the price support provisions of the Agri-
20 cultural Act of 1949, as amended, and to make such refunds
21 to the United States of payments and benefits already re-
22 ceived by him during such year under the contract and
23 under said Act, as the Secretary may determine to be
24 appropriate.

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. ALLOTY, Mr. BENNETT, Mr. BIBLE, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DANIEL, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HRUSKA, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MURRAY, Mr. WATKINS, and Mr. WELKER) to the bill (S. 3183) to provide an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. CHAVEZ (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program, viz: On page 4, between lines 13 and 14, insert the following:

1 PRICE SUPPORTS—FEED GRAINS

2 SEC. 106. Title III of the Agricultural Act of 1949, as
3 amended, is amended by adding at the end thereof a new
4 section as follows:

5 “SEC. 304. Notwithstanding the foregoing provisions of
6 this title, price support shall be made available to producers
7 of barley, oats, rye, and grain sorghums at a price determined
8 by the Secretary to bear the same ratio to the support price
9 of corn in the commercial corn-producing area as the feed-
10 value equivalents of such grain sorghums bear to the feed
11 value of corn.”

AMENDMENTS

Intended to be proposed by Mr. CHAVEZ (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

- 1 Renumber sections 106 and 107 as sections 107 and 108,
2 respectively.

84TH CONGRESS
2D SESSION

IN THE SENATE OF THE UNITED STATES

Ordered to lie on the table and to be printed

Intended to be proposed by Mr. YOUNG (for himself, Mr. MUNDT, Mr. CARLSON, Mr. BARRETT, and Mr. CURTIS) to the bill (S. 3183) to provide an improved farm program, viz: On page 30, between lines 17 and 18, insert the following:

2 COMMODITIES

SEC. 310. If at the beginning of any calendar year the Secretary of Agriculture determines that there is a surplus of any agriculture commodity in the United States, no such commodity, including products composed wholly or in chief value of any such commodity, shall be permitted to be entered, or withdrawn from warehouse, during any such calendar year which would cause the total quantity of such commodity entered, or withdrawn from warehouse, during

1 any such calendar year, to exceed the annual average for
 2 imports of such commodity entered, or withdrawn from ware-
 3 house, during the three years immediately preceding such
 4 calendar year.

Calendar No. 1503

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. Young (for himself, Mr. Mundt, Mr. Carlson, Mr. Barrett, and Mr. Curtis) to the bill (S. 3183) to provide an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HOLLAND to the bill (S. 3183)
to provide an improved farm program, viz: On page 25,
between lines 14 and 15 insert the following new section:

1 SEC. 225. (a) Notwithstanding any other provision
2 of law, beginning with the 1957 crops, the Secretary shall
3 require as a condition of eligibility for price support on any
4 agricultural crop, except tung nuts, that the producer agree
5 to devote to soil-conserving crops or practices to be deter-
6 mined by the Secretary, or allow to remain idle, for a period
7 of not less than one full production year, an acreage of crop-
8 land out of that which such producer normally devoted to
9 soil-depleting crops, without additional compensation other
10 than payments for conservation practices under the Agri-

1 cultural Conservation Program carried out pursuant to the
2 Soil Conservation and Domestic Allotment Act, approved
3 February 29, 1936, as amended: *Provided*, That this re-
4 quirement shall not be applied to any crop as a condition
5 for eligibility for price support in any year in which market-
6 ing quotas are in effect on such crop as the result of a
7 referendum conducted prior to the enactment of this Act:
8 *Provided further*, That this requirement shall not be appli-
9 cable to any farm with fifteen acres or less devoted to price-
10 supported crops during any one marketing year: *Provided*
11 *further*, That if otherwise eligible a producer may receive
12 conservation reserve payments under section 207 hereof
13 on any acreage that he agrees under this section to devote
14 to soil-conserving crops or practices, or allow to remain idle,
15 for three or more years. The amount of such acreage of
16 cropland to be devoted to soil-conserving crops or practices
17 under this section shall be determined by applying a per-
18 centage factor to the total acreage of cropland being planted
19 to price-supported crops for harvest during the marketing
20 years for which eligibility for price support is being deter-
21 mined. The percentage factor shall be that determined by
22 the Secretary, and in no event in excess of 15 per centum
23 of the acreage of cropland being devoted to price-supported
24 crops (excluding any acreage withdrawn from cultivation
25 for the purposes of the acreage reserve program). The

1 Secretary is authorized to make agricultural conservation
2 payments for approved conservation practices performed
3 on land removed from production for market under this
4 section.

5 (b) Except as the Secretary may otherwise provide
6 by regulation, no producers shall be eligible for any payment
7 under this Act if the acreage of cropland devoted to price-
8 supported crops, other than tung nuts, on any farm con-
9 trolled by such producer is increased to an acreage greater
10 than the average devoted to such crops in the immediately
11 preceding five years (considering normal rotation practices).

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. HOLLAND to the bill (S. 3183) to provide an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CHAVEZ to the bill (S. 3183)
to provide an improved farm program, viz: On page 36,
between lines 14 and 15, insert the following:

- 1 VIRGINIA AND VALENCIA TYPE PEANUTS
- 2 SEC. 406. Section 358 (c) (2) of the Agricultural
- 3 Adjustment Act of 1938, as amended, is amended by insert-
- 4 ing after the second sentence thereof a new sentence as
- 5 follows: "In any State in which the acreage devoted to the
- 6 production of Virginia or Valencia type peanuts for 1956
- 7 or any subsequent year is less than ten thousand acres, the
- 8 Secretary shall increase the acreage allotment of such State
- 9 for such year by 50 per centum, if there is filed with the

1 Secretary by processors within such State a written state-
2 ment of their intention to purchase the peanuts produced on
3 such additional acreage at not less than the parity price
4 thereof, such statements for years subsequent to 1956 to be
5 filed prior to the announcement by the Secretary of the
6 national marketing quotas for such years.”

Calendar No. 1503

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. CHAVEZ to the
bill (S. 3183) to provide an improved farm
program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 6, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. ALLOTT, Mr. BENNETT, Mr. BIBLE, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DANIEL, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HRUSKA, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MURRAY, Mr. WATKINS, and Mr. WELKER) to the bill (S. 3183) to provide an improved farm program, viz: On page 13, strike out lines 10 to 19, inclusive, and insert in lieu thereof the following:

- 1 (6) (a) In the event that the Secretary determines that
- 2 there has been a violation of the contract at any stage dur-
- 3 ing the time such producer has control of the farm and
- 4 that such violation is of such a nature as to warrant termina-
- 5 tion of the contract, to forfeit all rights to further payments

1 or grants under the contract, to refund to the United States
2 all payments and grants theretofore received by him there-
3 under during the crop year in which the violation occurred,
4 to forfeit all price support benefits he may otherwise be
5 entitled to receive for such year under the provisions of the
6 Agricultural Act of 1949, as amended, and to refund to the
7 United States all such benefits theretofore received by him
8 under the provisions of said Act during the crop year in
9 which such violation occurred.

10 (b) In the event that the Secretary determines that
11 for any year there has been a violation of the contract but
12 that such violation is of such a nature as not to require
13 or warrant termination of the contract, to accept such pay-
14 ment adjustments and forfeit such benefits under the contract
15 and under the price support provisions of the Agricultural
16 Act of 1949, as amended, and to make such refunds to the
17 United States of payments and benefits already received
18 by him during such year under the contract and under
19 said Act, as the Secretary may determine to be appropriate.

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. ALLOT, Mr. BENNETT, Mr. BIBLE, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DANIEL, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HRUSKA, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MURRAY, Mr. WATKINS, and Mr. WELKER) to the bill (S. 3183) to provide an improved farm program.

MARCH 6, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 5 (legislative day, MARCH 2), 1956
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183)
to provide an improved farm program, viz: Beginning on
page 5 of the bill delete all of title II and insert the
following new title II:

1 TITLE II—SURPLUS REDUCTION AND SOIL

2 BANK ACT

3 DECLARATION OF POLICY

4 SEC. 201. It is hereby declared to be the policy of Con-
5 gress to encourage the orderly liquidation of Government-
6 owned surplus stocks of agricultural commodities; to lessen
7 the depressing effect of such stocks on farm prices and farm
8 income; to encourage the elimination of wasteful production
9 of agricultural commodities; to minimize the adverse effects

1 of diverting production from Government price-supported
2 crops to the production of other commodities; to assist in the
3 marketing of agricultural commodities for domestic consump-
4 tion and export; to provide for a privately owned "bank"
5 of fertile cropland devoted to soil-building crops and re-
6 forestations, and to assist producers and consumers by help-
7 ing to provide a balanced flow of commodities in interstate
8 and foreign commerce.

9 SEC. 202. (a) The Secretary of Agriculture, hereinafter
10 referred to as the "Secretary", is authorized and directed to
11 enter into agreements with producers of agricultural com-
12 modities who are eligible for price support whereby such
13 producers will agree, prior to a date to be established by the
14 Secretary, to assist in bringing about a more rapid adjust-
15 ment of the production of such commodities to the demand
16 therefor, by underplanting any acreage allotments applicable
17 to such commodities for one or more years, not to exceed
18 five crop years, and by withholding such underplanted acre-
19 age of cropland, as defined by the Secretary, from production
20 for the same period or periods of time. Such underplanted
21 acreage shall be devoted to soil-conserving crops or prac-
22 tices designated by the Secretary for the area in which the
23 land is situated. Such producers shall in addition to pay-
24 ments under this section also be eligible for payments and
25 grants authorized under any other law for carrying out

1 approved soil building and soil and water conserving prac-
2 tices on such underplanted acres.

3 (b) Notwithstanding any other provision of law, in the
4 future establishment of State, county, and farm acreage allot-
5 ments for any commodity under the Agricultural Adjust-
6 ment Act of 1938, as amended, or the Agricultural Act of
7 1949, as amended, the acreage of any commodity withheld
8 from production for the period of years covered by any
9 agreement by any producer under this section shall be
10 credited to the State, county, and farm as though such acre-
11 age had actually been devoted to the production of such
12 commodity.

13 (c) In further consideration for underplanting, and in
14 order to bring such surplus stocks down to a normal carry-
15 over as soon as practical and insofar as possible within five
16 years from the date of enactment of this Act, as provided
17 for in such agreements, the Secretary is authorized and
18 directed to make "soil bank" payments to producers based
19 primarily upon the productive value of the land. Also, the
20 rate or rates of payment shall be established on such basis
21 as the Secretary determines will provide producers with a
22 fair and reasonable return on the land established in pro-
23 tective vegetative cover or water storage facilities, taking
24 into consideration the value of the land for the production
25 of commodities customarily grown on such kind of land in

1 the county or area, the prevailing rates for cash rentals for
2 similar land in the county or area, the incentive necessary
3 to obtain contracts covering sufficient acreage for the sub-
4 stantial accomplishment of the purposes of the program, and
5 such other factors as he deems appropriate: *Provided, how-*
6 *ever,* That to the fullest extent practicable the Secretary
7 shall not prescribe rates which in his judgment will result
8 in payments with respect to any crop year aggregating an
9 amount in excess of that which he anticipates can be obtained
10 from the disposition by Commodity Credit Corporation of
11 a quantity of agricultural commodities equivalent to that
12 quantity of such commodities which the Secretary estimates
13 would have been produced during such crop year on the
14 acreage withheld pursuant to this section: *Provided,* That
15 such rate or rates may be determined on an individual farm
16 basis, a county or area basis, or such other basis as the Sec-
17 retary determines will facilitate the practical administration
18 of the program. Such payments shall be made through the
19 use of surplus stocks of commodities owned or controlled
20 by the Commodity Credit Corporation, hereinafter referred
21 to as the "Corporation" in accordance with the provisions
22 of section 205 hereof, and from funds as provided in section
23 208 hereof. The rates of payment offered under this section
24 shall be graduated to encourage producers to underplant for
25 more than one year.

1 (d) Notwithstanding any other provision of law that
2 portion of any acreage allotment underplanted to qualify for
3 a payment under this Act shall not be available for release
4 and reapportionment to any other producer.

5 SEC. 203. The Secretary is further authorized and
6 directed to offer to producers additional opportunities to assist
7 in balancing production of such commodities with demand
8 therefor by entering into agreements to withhold an acreage
9 of cropland from the production of agricultural commodities
10 for periods of not less than three nor more than five years in
11 return for payments based primarily on the productive value
12 of such cropland (such withheld acreage must be devoted to
13 such soil conserving uses as are designated by the Secretary
14 for the area in which the land is situated or allowed to remain
15 idle) : *Provided, however,* That producers shall be given a
16 choice of participating in any alternative proposals for their
17 particular area. Such alternative proposals adaptable to
18 specified areas shall be formulated by the Secretary, taking
19 into account such factors as (a) quality of the various types
20 of land in the area, (b) suitability of the land for continuous
21 cultivation, (c) suitability of the land for reforestation, (d)
22 necessity for wind or water erosion control in the area, and
23 (e) the period of years for which it is practicable to continu-
24 ously devote representative land in such area to a particular
25 use. In the development of these alternative proposals rates

1 of payment shall be varied in such a manner as to encourage
2 adequate participation within areas for the representative
3 types of practices that should be performed in such areas.
4 Payments may be made from funds as provided in section 208
5 hereof to the maximum extent practicable, the Secretary
6 shall first utilize reasonable quantities of surplus commodities
7 from the Corporation's stocks by offering such stocks to
8 producers on terms he determines will encourage the accept-
9 ance of such payments in lieu of payments from appropriated
10 funds. Payments for conservation practices under the Agri-
11 cultural Conservation Program carried out by the Secretary
12 pursuant to the Soil Conservation and Domestic Allotment
13 Act, approved February 29, 1936, as amended, may also be
14 made for the first year in which such approved practices are
15 performed on such acreage. In unusual cases, payments may
16 be made for additional years, in accordance with regulations
17 to be prescribed by the Secretary.

18 SEC. 204. Notwithstanding any other provision of law,
19 the Secretary is authorized and directed to dispose of any
20 commodities owned or controlled by the Corporation to
21 domestic producers of agricultural commodities and into the
22 domestic market at such prices as in his discretion will aid in
23 carrying out the purpose of this Act: *Provided*, That dispo-
24 sition of quantities of stocks hereunder in any one year shall
25 be limited to three-fourths of such quantities of such com-

1 commodities as the Secretary determines to be a reasonable esti-
2 mate of what would have been produced for marketing
3 during such marketing year on the acreage withheld from
4 production under the provisions of this Act. Such disposi-
5 tions shall be made at such time, in such manner and such
6 quantities as will otherwise minimize any adverse effect of
7 such dispositions upon market prices.

8 SEC. 205. The utilization of the Corporation's stocks of
9 commodities for payments may, in the discretion of the Sec-
10 retary, be by one or more of the following means: (a)
11 negotiable options for cooperating producers to buy Corpora-
12 tion stocks at a price to be determined at the discretion of
13 the Secretary, (b) negotiable certificates conferring upon a
14 cooperating producer or his assignee the right to acquire a
15 certain quantity of the Corporation's stocks within a defined
16 area within a certain time, (c) negotiable drafts drawn on
17 the Corporation for redemption from funds to be obtained
18 by the Corporation through the sale of surplus stocks of com-
19 modities released under the authority of this Act, or (d)
20 other similar procedures: *Provided*, That cooperating pro-
21 ducers shall be compensated only from stocks of commodities,
22 the production of which are being reduced by such producer
23 under the provisions of this Act, except that feed grains,
24 including wheat for feed, shall be interchangeable: *Provided*
25 *further*, That nothing herein shall preclude the Secretary

1 from fulfilling any obligation of the Government to carry out
2 any agreement entered into in good faith pursuant to the
3 other provisions of this Act. Commodities delivered to a
4 producer or his assignee or otherwise released pursuant to
5 this Act shall not be eligible for a commodity loan or other
6 price support authorized by law.

7 SEC. 206. Any payments authorized herein shall be sub-
8 ject to a determination under regulations issued by the Sec-
9 retary that the rights of tenants have been equitably pro-
10 tected and that a reasonable division of payments has been
11 agreed to between the parties in interest.

12 SEC. 207. In establishing rates of payment under sec-
13 tions 202 and 203, the Secretary shall make allowance for
14 the fact that the withholding of acreage from production for
15 a considerable number of years probably will make a greater
16 contribution to bringing supplies into line with demand than
17 will a withholding for a fewer number of years and particu-
18 larly for a single year.

19 SEC. 208. The Secretary is authorized and directed to
20 make payments to cooperating producers from funds which
21 are hereby authorized to be appropriated, provided such pro-
22 ducers are within any acreage allotment issued pursuant to
23 the provisions of the Agricultural Adjustment Act of 1938,
24 as amended. Further, the Secretary is authorized to utilize

1 the facilities, services, authorities, and funds of the Corpora-
2 tion in discharging his functions and responsibilities under
3 this title including the payment of administrative expenses.
4 There is hereby authorized to be appropriated such sums as
5 may be necessary to make payments to the Corporation
6 for administrative expenditures and payments to producers
7 incurred in excess of the amounts realized from the disposi-
8 tion of commodities pursuant to section 204 hereof. The
9 Secretary shall first utilize Corporation surplus stocks, to the
10 maximum extent authorized herein, to reimburse producers
11 for the underplanting of acreage allotments authorized in
12 section 202. Upon the determination by the Secretary that
13 the stocks of any surplus agricultural commodity held by the
14 Corporation and by private owners will within a reasonable
15 time be reduced to a normal supply, as defined in the Agri-
16 cultural Adjustment Act of 1938 or the Agricultural Act of
17 1949, he shall cease entering into agreements for adjusting
18 acreage with respect to such commodity under this title:
19 *Provided*, That for such purpose feed grains, including wheat
20 for feed, shall be treated as interchangeable.

21 SEC. 209. Established rights of owners or operators to
22 control entry on land withheld from production under this
23 Act shall not be disturbed except that the Secretary or his
24 duly authorized agent at reasonable times and under reason-

1 able circumstances shall have the right of entry to check
2 compliance with agreements entered into pursuant to this
3 Act.

4 SEC. 210. (a) Notwithstanding any other provision of
5 law, corn acreage allotments shall be suspended for 1956.

6 (b) Not later than December 15, 1956, producers of
7 corn in the commercial corn area, as determined for the 1956
8 crop year, shall be given an opportunity through a referen-
9 dum to be conducted by the Secretary to determine by a
10 majority vote whether acreage allotments and price supports
11 as presently required by law shall be reinstated in 1957 and
12 subsequent years, or whether acreage allotments shall be
13 terminated and provisions made for establishing price support
14 at such a level as will assist farmers in marketing corn in the
15 normal channels of trade but not encourage the uneconomic
16 production of corn.

17 SEC. 211. Notwithstanding any other provision of law,
18 the Secretary shall require as a condition of eligibility for
19 price support on any agricultural commodity that the pro-
20 ducer agree to devote to soil conserving crops or practices to
21 be determined by the Secretary for a period of not less than
22 one full production year, an acreage of cropland out of that
23 which such producer normally devoted to soil depleting
24 crops, without additional compensation other than payments
25 for conservation practices under the Agricultural Conserva-

tion Program carried out pursuant to the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended: *Provided*, That this requirement shall not be applied to any crop as a condition for eligibility for price support in any year in which marketing quotas are in effect on such crop as the result of a referendum conducted prior to the enactment of this Act: *Provided further*, That a producer shall be eligible for "soil bank" payments under section 203 hereof on any acreage that he agrees to devote to soil conserving crops or practices, or allow to remain idle, for three or more years. The amount of such acreage of cropland to be devoted to soil conserving crops or practices under this section shall be determined by applying a percentage factor to the total acreage of cropland being planted to price supported crops for harvest during the marketing years of which eligibility for price support is being determined. In calculating the total acreage of cropland being devoted to price supported crops in 1956, there shall be deducted the acreage planted to price supported crops under marketing quotas and other acreage devoted to price supported crops seeded prior to enactment of this Act. The percentage factor shall be that determined by the Secretary, and in no event in excess of 15 per centum of the acreage of cropland being devoted to price supported crops. The Secretary is authorized to make agricultural conservation payments for

1 approved conservation practices performed on land removed
2 from production for market under this section.

3 Except as the Secretary may otherwise provide by regu-
4 lation, no producers shall be eligible for any payment under
5 this Act if the acreage of cropland devoted to price sup-
6 ported crops on any farm controlled by such producer is
7 increased to an acreage greater than the average devoted
8 to such crops in the immediately preceding five years (con-
9 sidering normal rotation practices).

10 SEC. 212. No harvesting or grazing shall be permitted
11 on acreage withheld from production under section 202,
12 203, or 211 of this Act. The Secretary shall issue regula-
13 tions providing for the disposition of any forage standing
14 on such land at the expiration of the period for which it is
15 withheld from production.

16 SEC. 213. The Secretary is authorized and directed to
17 issue regulations for the determination of the productive
18 value of land giving adequate weight to (1) actual produc-
19 tion records of the owner or operator which can be ob-
20 jectively substantiated, and (2) such other standards as
21 may be reasonable under the circumstances in fixing rates
22 of payments.

23 SEC. 214. The producer shall agree to forfeit all rights
24 to further payments under agreements entered into in ac-
25 cordance with this Act and to refund to the United States

1 all payments received thereunder upon his willful violation
2 of any agreement at any stage during the time he has control
3 of the farm.

4 Whenever the Secretary of Agriculture has reason to
5 believe there has been a willful violation of a material pro-
6 vision of the agreement, he shall give the producer notice
7 thereof and within thirty days from such notice the pro-
8 ducer shall be given an opportunity to show cause why
9 the agreement should not be modified or terminated and
10 his rights to further payments under the agreement forfeited
11 and any payments made thereunder refunded to the United
12 States and a final determination regarding such violation
13 shall be made under rules prescribed by the Secretary:
14 *Provided*, That whenever the producer feels aggrieved, he
15 may within ninety days after the mailing or serving of
16 notice of such determination appeal such determination to
17 the United States district court for a determination of the
18 facts in the case and judicial relief with respect thereto.

19 TERMINATION AND MODIFICATION OF AGREEMENTS

20 SEC. 215. (a) The Secretary may terminate any agree-
21 ment with a producer by mutual agreement with the pro-
22 ducer if the Secretary determines that such termination
23 would be in the public interest.

24 (b) The Secretary may agree to such modification of
25 agreements previously entered into as he may determine to

1 be desirable to carry out the purposes of this Act and to
2 facilitate the practical administration of the program.

3 SEC. 216. Notwithstanding any other provision of law—

4 (1) insofar as the acreage of cropland on any farm
5 enters into the determination of acreage allotments and
6 marketing quotas under the Agricultural Adjustment
7 Act of 1938, as amended, the cropland acreage on the
8 farm shall not be decreased during the period of any
9 contract entered into under this program by reason of
10 the establishment and maintenance of vegetative cover
11 or water storage facilities under such agreement; and

12 (2) the acreage on any farm which is determined
13 under regulations of the Secretary to have been diverted
14 from the production of any commodity subject to acreage
15 allotments or marketing quotas in order to carry out the
16 contract entered into under this program shall be consid-
17 ered acreage devoted to the commodity for the purposes
18 of establishing future State, county, and farm acreage
19 allotments under the Agricultural Adjustment Act of
20 1938, as amended.

21 GEOGRAPHICAL APPLICABILITY

22 SEC. 217. (a) This title shall apply to the continental
23 United States, and, if the Secretary determines it to be in the
24 national interest to one or more of the Territories of Alaska

1 and Hawaii, and the Commonwealth of Puerto Rico, and, as
2 used in this title, the term “State” includes Alaska, Hawaii,
3 and Puerto Rico.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183) to provide an improved farm program.

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MURRAY (for himself and Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program, viz: On page 3, between lines 14 and 15, insert the following:

- 1 GRADUATED PRICE SUPPORT LEVEL
- 2 SEC. 103. Section 101 (d) of the Agricultural Act of
- 3 1949, as amended, is amended by adding at the end thereof
- 4 the following:
- 5 “(8) The support price available to any producer in
- 6 any calendar year for any basic agricultural commodity, other
- 7 than tobacco, shall be adjusted as provided in the following
- 8 table as the gross income, including proceeds of price-support

- 1 loans, of such farm from the disposition of agricultural com-
- 2 modities produced on such farm increases:

"If the loan or purchase would increase the gross income, including proceeds of price support loans, from the disposition during the calendar year of agricultural commodities produced on the farm to an amount—

The support price shall be the following percentage of parity:

Not exceeding \$7,000-----	100
Exceeding \$7,000 but not exceeding \$20,000-----	90
Exceeding \$20,000 but not exceeding \$50,000-----	75"

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. MURRAY (for himself and Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program.

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CAPEHART to the bill (S. 3183)
to provide an improved farm program, viz: On page 25,
between lines 14 and 15, insert the following:

1 LEASING OF LANDS BY ANY DEPARTMENT, AGENCY, OR
2 INSTRUMENTALITY OF THE FEDERAL GOVERNMENT

3 SEC. 225. It is hereby declared to be the sense of the
4 Congress (A) that after the date of the enactment of this
5 Act, no agreement shall be entered into by any department,
6 agency, or instrumentality of the Federal Government for
7 the rental or leasing of any lands under its jurisdiction to
8 any private person, association, or corporation, if such lands
9 are to be used by such person, association, or corporation for
10 any agricultural purpose, except grazing, and (B) that when

1 any department, agency, or instrumentality of the Federal
2 Government has lands under its jurisdiction which are in
3 excess to its needs and which are suitable for agricultural
4 use, such lands should be disposed of in accordance with
5 the existing laws providing for the disposition of federally
6 owned real property.

AMENDMENT

Intended to be proposed by Mr. CARENHART to
the bill (S. 3183) to provide an improved
farm program.

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS to the bill (S. 3183)
to provide an improved farm program, viz: On page 25,
between lines 14 and 15, insert the following:

1 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

2 SEC. 225. No lease executed, renewed, or permitted to
3 extend beyond its earliest termination or cancellation date
4 by any agency of the United States as lessor after the en-
5 actment of this Act shall permit the lessee to produce on any
6 land subject to such lease any agricultural commodity (other
7 than livestock or livestock products) determined by the
8 Secretary of Agriculture to be in surplus supply.

AMENDMENT

Intended to be proposed by Mr. Williams to the bill (S. 3183) to provide an improved farm program.

March 5 (legislative day, March 2), 1956
Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MURRAY (for Mr. KEFAUVER)
to the bill (S. 3183) to provide an improved farm program,
viz: On page 4, between lines 13 and 14, insert the fol-
lowing:

- 1 PRODUCTION PAYMENTS—CATTLE AND HOGS
- 2 SEC. 106. Farm income from hogs and cattle shall be
- 3 supported by production payments equal to the difference
- 4 between the average market price during the marketing sea-
- 5 son, as determined by the Secretary of Agriculture, and the
- 6 support level. The support level shall be adjusted as pro-
- 7 vided in the following table as the gross income, including
- 8 proceeds of support loans, purchases or production payments,

- 1 of such farm from the disposition of all agricultural commodi-
- 2 ties produced on such farm increases:

If the production payment would increase the gross income, including proceeds of such payment, from the disposition of agricultural commodities produced on the farm to an amount—		The support level shall be the fol- lowing percent- age of parity:
Not exceeding \$7,000-----		100
Exceeding \$7,000 but not exceeding \$20,000-----		90
Exceeding \$20,000 but not exceeding \$50,000-----		75

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. MURRAY (for
Mr. KEFAUVER) to the bill (S. 3183) to pro-
vide an improved farm program.

MARCH 5 (legislative day, MARCH 2), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 On page 27, line 15, after the word "cotton" insert the
- 2 words "produced in the continental United States".

3-2-56—G

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 Beginning on page 31, with line 11, strike out through
- 2 line 18, on page 34.

3-2-56—H

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself, Mr. BARKLEY, and Mr. GORE) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 31, line 9, strike out "two hundred and forty
- 2 thousand" and insert in lieu thereof "one hundred and ninety
- 3 thousand".

3-2-56—C

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself, Mr. BARKLEY, and Mr. GORE) to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WELKER to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 3, between lines 22 and 23, insert the following:

2 "PRICE SUPPORTS—EDIBLE DRIED BEANS

3 "SEC. 104. Title II of the Agricultural Act of 1949,
4 as amended, is amended by adding at the end thereof a new
5 section as follows:

6 "SEC. 204. Notwithstanding the foregoing provisions
7 of this Act, the Secretary shall make available, through
8 loans, purchases, or other operations, price support to pro-
9 ducers of edible dried beans at not less than 80 per centum
10 of the parity price thereof.' "

11 Renumber sections 104 to 107 as 105 to 108,
12 respectively.

84TH CONGRESS
2d Session

S. 3183

AMENDMENTS

Intended to be proposed by Mr. WELKER to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARTHY to the bill (S. 3183)
to provide an improved farm program, viz:

- 1** On page 4, lines 10 and 11, strike out "not less than 80
- 2** per centum nor more than 90 per centum" and insert in
- 3** lieu thereof "not less than 90 per centum".

3-2-56—B

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. McCARTHY to
the bill (S. 3183) to provide an improved
farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself and Mr. O'MAHONEY) to the bill (S. 3183) to provide an improved farm program, viz: On page 8, at the end of line 19, insert the following:

1 Before any producer is entitled to receive any com-
2 pensation for participating in the acreage reserve program,
3 he must first execute in legal form to be prescribed by the
4 Secretary a contract, which contract shall, in addition to
5 such other conditions as may be prescribed by the Secre-
6 tary, contain provisions by the terms of which such producer
7 shall agree:

8 (a) In the event that the Secretary determines that
9 there has been a violation of the contract at any stage during

1 the time such producer has control of the farm and that such
2 violation is of such a nature as to warrant termination of the
3 contract, to forfeit all rights to further payments or grants
4 under the contract, to refund to the United States all pay-
5 ments and grants theretofore received by him thereunder
6 during the crop year in which the violation occurred, to
7 forfeit all price support benefits he may otherwise be entitled
8 to receive under the provisions of the Agricultural Act of
9 1949, as amended, and to refund to the United States all
10 such benefits theretofore received by him under the provi-
11 sions of said Act during the crop year in which such viola-
12 tion occurred.

13 (b) In the event that the Secretary determines that
14 for any year there has been a violation of the contract but
15 that such violation is of such a nature as not to require or
16 warrant termination of the contract, to accept such pay-
17 ment adjustments and forfeit such benefits under the con-
18 tract and under the price support provisions of the Agri-
19 cultural Act of 1949, as amended, and to make such refunds
20 to the United States of payments and benefits already re-
21 ceived by him during such year under the contract and
22 under said Act, as the Secretary may determine to be
23 appropriate.

24 (c) That any person may, if he believes that a viola-
25 tion of the contract has occurred, make complaint on in-

1 formation and belief to the Secretary, setting out the nature
2 of the alleged violation and that thereupon the Secretary
3 shall hear such complaint after giving notice for ten days
4 to the producer charged in said complaint to have violated
5 such contract, and after such hearing shall determine whether
6 or not such violation has occurred and if he determines that
7 it has occurred, then he shall take appropriate action, in
8 accordance with the provisions of this Act.

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself and Mr. O'MAHONEY) to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself and Mr. O'MAHONEY) to the bill (S. 3183) to provide an improved farm program, viz: On page 13, strike out lines 10 to 19, inclusive, and insert in lieu thereof the following:

1 (6) (a) In the event that the Secretary determines
2 that there has been a violation of the contract at any stage
3 during the time such producer has control of the farm and
4 that such violation is of such a nature as to warrant termina-
5 tion of the contract, to forfeit all rights to further payments
6 or grants under the contract, to refund to the United States
7 all payments and grants theretofore received by him there-
8 under during the crop year in which the violation occurred,
9 to forfeit all price support benefits he may otherwise be
10 entitled to receive for such year under the provisions of the
11 Agricultural Act of 1949, as amended, and to refund to the

1 United States all such benefits theretofore received by him
2 under the provisions of said Act during the crop year in
3 which such violation occurred.

4 (b) In the event that the Secretary determines that
5 for any year there has been a violation of the contract but
6 that such violation is of such a nature as not to require
7 or warrant termination of the contract, to accept such pay-
8 ment adjustments and forfeit such benefits under the contract
9 and under the price support provisions of the Agricultural
10 Act of 1949, as amended, and to make such refunds to the
11 United States of payments and benefits already received
12 by him during such year under the contract and under
13 said Act, as the Secretary may determine to be appropriate.

14 (c) That any person may, if he believes that a violation
15 of the contract has occurred, make complaint on informa-
16 tion and belief to the Secretary, setting out the nature of
17 the alleged violation and that thereupon the Secretary shall
18 hear such complaint after giving notice for ten days to
19 the producer charged in said complaint to have violated such
20 contract, and after such hearing shall determine whether or
21 not such violation has occurred and if he determines that
22 it has occurred, then he shall take appropriate action, in
23 accordance with the provisions of this Act.

S. 3183

AMENDMENT

Intended to be proposed by Mr. BARNETT (for himself and Mr. O'MAHONEY) to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CLEMENTS to the bill (S. 3183) to provide an improved farm program, viz: On page 25, between lines 10 and 11, insert the following:

1 FARMS OPERATED BY PERSONS AGE SIXTY-FIVE OR OVER

2 SEC. 224. (a) The Secretary is authorized, in accord-
3 ance with such rules and regulations as he shall prescribe,
4 to enter into contracts with persons who have attained age
5 sixty-five and who own and operate farms, under which such
6 owner and operator shall agree—

7 (1) to withdraw from production of crops all of
8 the land on such farm except such land as may be
9 necessary to produce food for consumption on the farm
10 (including land necessary for grazing or producing feed

1 for livestock kept solely for production of meat or dairy
2 products for consumption on the farm) ; and

3 (2) not to harvest any crop from, or graze the land
4 withdrawn from production, except to the extent per-
5 mitted by paragraph (1) .

6 (b) The Secretary shall agree to compensate owners
7 for withdrawal of land from production of crops under this
8 section, and shall establish the rates of such compensation
9 on the basis of the average net income from the farm during
10 the preceding five years, and such other factors as he may
11 deem relevant.

12 (c) Contracts under this section may be made for one
13 or more of the years 1956, 1957, 1958, and 1959.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. CLEMENTS to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CAPEHART to the bill
(S. 3183) to provide an improved farm program, viz:
At the end of the bill add a new title as follows:

1 TITLE VII—INTERNATIONAL FOOD COMMUNITY

2 BOARD

3 SHORT TITLE

4 SEC. 701. This title may be cited as the “International
5 Food Community Board Act of 1956”.

6 DECLARATION OF PURPOSES

7 SEC. 702. It is the purpose of this title to distribute
8 Government-owned stocks of surplus agricultural commodi-
9 ties by an orderly system of disposition of such commodities
10 through private nonprofit organizations, and to needy
11 peoples at home and in free foreign nations, and thus to

1 relieve the agricultural economy of the United States of
2 the harmful effect to fair market prices of these surpluses
3 hanging over the market and at the same time provide
4 food and clothing for underprivileged peoples of the free
5 world.

6 INTERNATIONAL FOOD COMMUNITY BOARD

7 SEC. 703. (a) There is hereby established in the execu-
8 tive branch of the Government an agency to be known as
9 the International Food Community Board (hereinafter
10 referred to as the "Board"). The Board shall be composed
11 of five members who shall be appointed by the President
12 from among the heads of departments in the executive
13 branch most concerned with the purposes of this title. One
14 of the members shall be designated by the President as
15 Chairman and one shall be designated by him as Vice
16 Chairman. No member of the Board shall receive any addi-
17 tional compensation for his services on this Board. Members
18 of the Board shall serve at the pleasure of the President.

19 (b) The Board is authorized to appoint and fix the
20 compensation of such officers and employees, and to make
21 such expenditures as may be necessary to carry out its
22 functions. The Board may delegate any of its functions
23 to such of its officers and employees as it may designate.

24 (c) The Board shall, with the consent of the Govern-
25 ment agency concerned, avail itself of the services and facil-

ities of existing Government agencies in carrying out its functions under this title and may, with the approval of the President, delegate any of its powers to any Government agency.

(d) The Board is authorized to appoint without regard to the civil service laws and regulations such advisory committees as it deems necessary to assist it in carrying out its functions under this title. Persons so appointed may be compensated at rates not in excess of \$50 per diem and may be reimbursed for necessary traveling and subsistence expenses incurred by them while engaged in the business of the Board.

STATE LIAISON COMMITTEES

SEC. 704. The Board is authorized to appoint for any State or regional area, a State or regional liaison committee composed of three members. The Board shall perform its functions under this title in such States or regions with the advice and on the recommendations of such liaison committees. Members of such State or regional liaison committees shall serve at the pleasure of the Board, may be compensated at the rate of not more than \$50 per diem, and shall be reimbursed for necessary traveling and subsistence expenses incurred by them while engaged in carrying out functions under this title. The Board shall provide each such liaison committee with such stenographic and other

1 assistants as it may reasonably require. Such liaison com-
2 mittees shall be charged with the responsibility of assisting
3 properly qualified applicants to avail themselves of the
4 benefits of this program.

5 FUNCTIONS OF THE BOARD

6 SEC. 705. It shall be the duty of the Board to formulate
7 and put into effect programs designed to carry out the
8 purposes of this title. Such programs shall include, but
9 shall not be limited to, plans for—

10 (1) the distribution over a period of approximately
11 three years (or, in the case of perishable commodities,
12 such shorter period as may be necessary to prevent
13 spoilage) to needy peoples in the United States and in
14 friendly foreign countries who would otherwise be
15 unable to obtain such commodities or products, of all
16 stocks of Government-owned surplus agricultural com-
17 modities, or products processed therefrom, less—

18 (i) such quantity of each commodity as the
19 President may estimate is necessary to provide an
20 adequate national reserve of such commodity for
21 emergency purposes;

22 (ii) such quantity of each such commodity as
23 the President may estimate can be sold or otherwise
24 disposed of, from the stocks of Government-owned

1 agricultural surpluses, during the period of this
2 program, through previously authorized programs;
3 and

4 (iii) the President may from time to time
5 revise such estimates and thereupon this program
6 shall be correspondingly revised;

7 (2) carrying out such distribution in a manner
8 which will not materially displace, disrupt, or interrupt
9 existing commercial markets;

10 (3) carrying out such distribution, to the maximum
11 extent feasible, through the facilities of private nonprofit
12 organizations in the United States and abroad and
13 through locally sponsored or locally administered plans
14 of operation;

15 (4) storing in foreign countries of commodities
16 transported for ultimate distribution within, or in the
17 areas of, such countries, and for the transportation
18 abroad as soon as possible of the commodities proposed
19 ultimately to be distributed abroad;

20 (5) transportation of commodities and products to
21 be distributed to storage facilities in areas of distribution
22 and the leasing, or where necessary the construction,
23 of necessary storage space in such countries;

1 (6) processing of commodities into consumable
2 goods wherever possible without cost to the Govern-
3 ment; and

4 (7) reimbursement of costs incurred by the Board
5 in processing commodities into consumable goods and
6 in providing transportation from storage facilities to
7 points of consumption.

8 POWERS OF BOARD

9 SEC. 706. In carrying out its functions under this title,
10 the Board is authorized to—

11 (1) obtain Government-owned surplus agricultural
12 commodities from the Commodity Credit Corporation,
13 without reimbursement to the Commodity Credit Corpo-
14 ration for such commodities, and the Commodity Credit
15 Corporation is directed to deliver to the Board for the
16 purposes of this title such commodities as the Board
17 may request and which are to be disposed of under
18 section 705 (1) of this title;

19 (2) enter into contracts for the processing into
20 consumable goods and bulk packaging of such commodi-
21 ties, and for their transportation to storage facilities in
22 areas of distribution (or, in exceptional cases, to points
23 of consumption) ;

24 (3) enter into agreements, as provided in section
25 707 of this title, with private nonprofit organizations

1 in the United States and in foreign countries for the
2 distribution of commodities and products processed
3 therefrom to the ultimate consumers thereof;

4 (4) accept donations of transportation, processing,
5 and other services.

6 AGREEMENTS WITH DISTRIBUTING ORGANIZATIONS

7 SEC. 707. Agreements entered into pursuant to section
8 706 (3) —

9 (1) shall provide, except as provided in section
10 708, for payment to the Board for commodities or prod-
11 ucts furnished to the distributing organization, and re-
12 imbursement of the Board for costs incurred by it in the
13 processing or transportation of such commodities or
14 products, but such payment need bear no relation to the
15 fair market value of the commodity or product, the
16 purpose of this title being to distribute surplus goods to
17 needy peoples;

18 (2) shall contain such provisions as the Board may
19 deem necessary or appropriate to assure that the com-
20 modities and products to be distributed under such
21 agreement will be delivered only to needy peoples not
22 otherwise able to obtain such commodities, or to schools,
23 hospitals, or other institutions for consumption or use
24 by such peoples, all pursuant to the purposes stated in
25 section 705, paragraphs 1 and 2, of this title;

1 (3) shall limit the charge made to recipients of
2 such commodities or products to not more than actual
3 cost to the nonprofit organization including processing
4 and transportation (excluding local transportation in the
5 country or area of distribution) ;

6 (4) may permit such nonprofit organization to
7 contract with a processor to process any such com-
8 modities in exchange for byproducts thereof (provided
9 that the fair value of the byproducts does not exceed
10 the reasonable charge for such processing) .

11 PAYMENT FOR COMMODITIES

12 SEC. 708. (a) The Board is authorized to distribute com-
13 modities and products under this title at such prices, not in
14 excess of the fair value thereof, as recipients are able to
15 pay, and as are consistent with the purposes of this title.
16 Payment for such commodities and products may be in
17 the form of—

18 (1) raw materials needed for stockpiling for na-
19 tional defense purposes;

20 (2) good and services needed by Armed Forces
21 personnel; or

22 (3) United States or foreign currencies.

23 Any foreign currencies acquired under the provisions of
24 this subsection shall be purchased from the Board by the

1 Export-Import Bank of Washington at current rates of
2 exchange.

3 (b) Notwithstanding any other provision of this title,
4 the Board may make commodities or products available for
5 distribution under this title without any cost whatever to
6 the distributing agency when the persons to whom ultimate
7 distribution will be made are unable to make any payment
8 therefor (or any payment in excess of transportation and
9 processing costs).

10 (c) Amounts received by the Board under this section
11 may be used to defray any proper costs of this program
12 and any remaining funds shall be paid into the Treasury
13 as miscellaneous receipts.

14 APPROPRIATIONS

15 SEC. 709. There are authorized to be appropriated such
16 sums as may be necessary to enable the Board to carry out
17 its functions under this title.

18 MISCELLANEOUS PROVISIONS

19 SEC. 710. (a) As used in this title, the term "Govern-
20 ment-owned surplus agricultural commodity" means agricul-
21 tural commodities acquired by the Commodity Credit
22 Corporation prior to the date of enactment of this Act through
23 price-support operations or pledged to the Commodity Credit
24 Corporation under agreements entered into prior to such

1 date, and agricultural commodities acquired prior to such
2 date through the use of funds made available under section
3 32 of the Act of August 24, 1935 (Public Law 320,
4 Seventy-fourth Congress).

5 (b) The Board shall take such action as may be neces-
6 sary in order to make known to prospective applicants the
7 availability of agricultural commodities and products for dis-
8 tribution under this title.

9 (c) Agricultural commodities and products stored in ac-
10 cordance with section 705 (4), shall remain the sole prop-
11 erty of the United States and subject to its exclusive control
12 until distributed by the Board in accordance with a program
13 promulgated under this title. No commodities or products
14 so stored shall be returned to the United States except in
15 case of national emergency.

16 (d) The President is authorized to transfer to the Board
17 any functions or duties of any other agency of the Govern-
18 ment relating to the disposition of surplus Government-owned
19 agricultural commodities.

20 (e) The Board shall transmit to the Congress annually
21 a report of its activities under this title.

22 SEC. 711. This title shall expire on June 30, 1960.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. CAPENART to the bill (S. 3183) to provide an improved farm program.

MARCH 2, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 35, between lines 14 and 15, insert the
2 following:

3 “MINIMUM NATIONAL ACREAGE ALLOTMENTS FOR 1956
4 AND 1957 CORN CROPS

5 “SEC. 405. Section 328 of the Agricultural Adjust-
6 ment Act of 1938, as amended, is amended by inserting
7 at the end thereof a new sentence as follows: ‘The acreage
8 allotment of corn for the 1956 and 1957 crops shall not
9 be less than forty-nine million acres in the commercial corn-
10 producing area.’”

11 On page 35, line 16, strike out “405” and insert “406”.

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D. SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN to the bill (S. 3183) to
provide an improved farm program, viz:

1 On page 29, line 13, strike all of the section after the
2 words “per annum” and insert: “whose duties shall include
3 such responsibility for activities of the Department, including
4 those of the Commodity Credit Corporation, relating to the
5 disposal of surplus agricultural commodities as the Secretary
6 may direct”.

AMENDMENT

Intended to be proposed by Mr. Aiken to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. HUMPHREY, Mr. YOUNG, and Mr. CHAVEZ) to the bill (S. 3183) to provide an improved farm program, viz: On page 3, between lines 22 and 23, insert the following:

1 PRICE SUPPORTS—FEED GRAINS

2 SEC. 104. Title II of the Agricultural Act of 1949, as
3 amended, is amended by adding at the end thereof a new
4 section as follows:

5 “SEC. 204. (a) The Secretary shall make available
6 through loans, purchases, or other operations price support
7 at a level of not less than 90 per centum of their respective

1 parity prices to cooperators for any crop of barley, oats, rye,
2 and grain sorghums with respect to which two-thirds of the
3 producers of such commodities voting in a referendum held
4 by the Secretary for such purpose vote to approve the pro-
5 gram provided by this section. Such referendum for the
6 1956 crop shall be held not later than May 1, 1956, and for
7 any subsequent crop not later than January 1 of the year in
8 which such crop is planted.

9 “(b) The provisions of subsection (a) shall not apply in
10 any year to commodities produced on any farm on which the
11 cultivated acreage exceeds twenty acres unless—

12 “(1) there is withheld from cultivation, grazing,
13 and all other revenue producing uses an amount of acre-
14 age on such farm (in addition to any acreage placed in
15 the acreage reserve under subtitle A of the Soil Bank
16 Act)—

17 “(a) in the case of 1956 crops, not less than
18 20 per centum of the cultivated acreage on the
19 farm,

20 “(b) in the case of 1957 and subsequent crops,
21 not less than such percentage of the cultivated acre-
22 age on the farm as the Secretary determines may be
23 so withheld without impairing supplies of agricul-
24 tural commodities needed to meet domestic and ex-
25 port requirements;

“(2) the acreage withdrawn from use in accordance with paragraph (1) has not been withdrawn for the purpose of such paragraph in any prior year, until all other acreage on such farm has been so withdrawn for prior years.

“In determining, for the purposes of this section, the total cultivated acreage on any farm, or any percentage thereof, there shall be included all acreage regularly used in the production of crops (including crops such as tame hay, alfalfa, and clovers, which do not require annual tillage), and there shall be excluded any acreage covered by a contract entered into under subtitle B of the Soil Bank Act. The percentage proclaimed by the Secretary under paragraph (1) (b) shall not be more than 15 per centum, and shall be uniform for all farms. Such proclamation shall be made prior to the holding of the referendum under subsection (a).”

AMENDMENT

Intended to be proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. HUMPHREY, Mr. YOUNG, and Mr. CHAVEZ) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY (for himself and Mr. MORSE) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 25, strike out lines 16 to 20, inclusive, and
2 insert, the following:

3 NATIONAL SECURITY RESERVE

4 SEC. 301. (a) Notwithstanding the provisions of sec-
5 tion 102 of the Agricultural Act of 1954, the quantity of
6 cotton and wheat in the commodity set-aside created pursu-
7 ant to section 101 of that Act shall be increased to the max-
8 imum quantity provided therein, and there shall be added to
9 such set-aside two hundred fifty million bushels of corn.

1 (b) So much of section 101 of the Agricultural Act of
2 1954 as follows the table therein is amended to read as
3 follows:

4 “Such quantities shall be known as the ‘national security
5 reserve’.

6 “Not later than December 15 of each year the Presi-
7 dent, with the advice of the National Security Council and
8 the Administrator of Civil Defense, shall ascertain and
9 proclaim the volume of each storable farm commodity
10 and of each storable product of perishable and semiperish-
11 able farm commodities that should be added to the national
12 security reserve in order to provide for the next calendar
13 year adequate supplies of such commodities and products
14 for the purpose of providing for emergency domestic needs
15 for the national defense and the national welfare in the event
16 of war or other national emergency, for the purpose of
17 sales and donations to other nations under the Agricultural
18 Trade Development and Assistance Act of 1954, or for
19 use in financing and implementing economic development
20 projects in other countries related to our security or foreign
21 policy.

22 “To the maximum extent practicable, the Commodity
23 Credit Corporation shall convert, through the usual channels
24 of trade, agricultural commodities acquired by it through
25 price support operations or operations under section 32 of

1 Public Law 320, Seventy-fourth Congress, as amended
2 (7 U. S. C. 612c), and not required for domestic consump-
3 tion, export, or other food and fiber distribution programs
4 of the Department of Agriculture, into such products as
5 may be designated by the President under the preceding
6 paragraph.”

7 (c) Sections 102 to 106, inclusive, of such Act are
8 amended by striking out the words “commodity set-aside”
9 wherever they appear in such sections and inserting in lieu
10 thereof the words “national security reserve”.

11 (d) Section 103 of the Agricultural Act of 1954, as
12 amended, is amended to read as follows:

13 “SEC. 103. (a) The national security reserve shall not
14 be reduced except (1) on order of the President at any time
15 when in his judgment such reduction is required for purposes
16 of the common defense, (2) in time of war or during a
17 national emergency with respect to common defense pro-
18 claimed by the President, on order of such agency as may
19 be designated by the President, (3) on order of the Presi-
20 dent, by transfer to the national stockpile established pur-
21 suant to the Act of June 7, 1939, as amended (50 U. S. C.
22 98-98h), or (4) for any purpose specified in section 101
23 of this Act.

24 “(b) If the quantity of any commodity or product in
25 the national security reserve is reduced by natural or other

1 cause beyond the control of the Corporation, there shall be
2 restored to the national security reserve at the earliest prac-
3 ticable date an amount of such commodity or product equal
4 to the amount of such reduction.”

5 (e) The last sentence of section 105 of the Agricultural
6 Act of 1954, as amended, is amended by striking out “1955”
7 and inserting “1956”.

8 (f) The last sentence in section 102 (a) of the Agri-
9 cultural Trade Development and Assistance Act of 1954,
10 as amended, is repealed.

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. HUMPHREY
(for himself and Mr. MORSE) to the bill (S.
3183) to provide an improved farm pro-
gram.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23, insert the following:

2 "LIGHTWEIGHT CATTLE AND HOGS

3 "SEC. 106. (a) In order to encourage the marketing
4 of cattle and hogs at lighter than normal weights, the Secre-
5 tary of Agriculture is authorized and directed, in accordance
6 with such regulations as he may prescribe, to make incen-
7 tive payments to producers who market cattle and hogs at
8 lighter than normal weights.

9 "(b) Such payments shall be made from funds appro-
10 priated by section 32 of Public Law 320, Seventy-fourth
11 Congress (49 Stat. 774; 7 U. S. C. 612c), as amended, and

1 shall be in such amounts as may be determined by the Secre-
 2 tary to be necessary to carry out the purpose of this section.”

3 On page 4, line 24, strike out “107” and insert “108”.

84TH CONGRESS
 2d Session

S. 3183

Calendar No. 1503

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to
 the bill (S. 3183) to provide an improved
 farm program.

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23, insert the fol-
2 lowing:

3 “HOG MARKETING PREMIUM PAYMENTS

4 “SEC. 107. (a) In order to assure the orderly market-
5 ing of an adequate national supply of hogs and pork prod-
6 ucts, to encourage the increased domestic consumption of
7 pork and pork products, to maintain the productive capacity
8 of our hog farming industry, and to avoid the feeding of
9 hogs to less desirable weights, the Secretary of Agriculture
10 is authorized and directed, whenever he finds (1) that the
11 annual pig crop for any year will exceed the average pig

1 crop for the ten preceding years, or (2) that the national
2 average price received by farmers for hogs is less than 90
3 per centum of the parity price therefor, to make incentive
4 payments to hog producers to encourage the marketing of
5 hogs for slaughter at live weights of two hundred pounds
6 or less.

7 “(b) The amounts of incentive payments under this
8 section shall be established by the Secretary at such level,
9 not less than \$1 or more than \$3 per hundredweight, as
10 he determines is necessary to carry out the purposes of this
11 section except that (1) whenever the national average
12 price received by farmers for hogs in any month is less
13 than 85 per centum of the parity price for hogs, the in-
14 centive payment for such month shall not be less than \$2
15 per hundredweight, and (2) whenever such average
16 price for any month is less than 80 per centum of such
17 parity price, the incentive payment for such month shall be
18 \$3 per hundredweight. No producer shall be eligible to
19 receive incentive payments under this section totaling in
20 excess of \$1,200 in any calendar year.

21 “(c) The Secretary is authorized to use any funds of
22 the Commodity Credit Corporation, and any funds appro-
23 priated by section 32 of Public Law 320, Seventy-fourth
24 Congress (49 Stat. 774; 7 U. S. C. 612c), as amended,
25 in making the payments provided by this section.

1 “(d) Every purchaser of hogs for slaughter shall supply
2 to the producer of such hogs a ticket, in such form as may
3 be prescribed by the Secretary, showing the number of hogs
4 sold in weight classes of two hundred pounds or less and
5 the total weight of the hogs so sold. Such producer shall
6 make application for the payment of incentive benefits under
7 this section by filing the ticket received by him from the
8 buyer with the county committee for his county appointed
9 under section 8 (b) of the Soil Conservation and Domestic
10 Allotment Act.

11 “(e) Payments shall not be made under this section
12 after December 31, 1960.”

13 On page 4, line 24, strike out “107” and insert “108”.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to
the bill (S. 3183) to provide an improved
farm program.

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23, insert the following:

2 “LIGHTWEIGHT CATTLE AND HOGS

3 “SEC. 106. (a) In order to encourage the marketing
4 of cattle and hogs at lighter than normal weights, the Secre-
5 tary of Agriculture is authorized and directed, in accordance
6 with such regulations as he may prescribe, to make incen-
7 tive payments to producers who market cattle and hogs at
8 lighter than normal weights.

9 “(b) Such payments shall be made from funds appro-
10 priated by section 32 of Public Law 320, Seventy-fourth
11 Congress (49 Stat. 774; 7 U. S. C. 612c), as amended, and

- 1 shall be in such amounts as may be determined by the Secre-
 2 tary to be necessary to carry out the purpose of this section.”
 3 On page 4, line 24, strike out “107” and insert “108”.

84TH CONGRESS
2d Session

S. 3183

Calendar No. 1503

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to
the bill (S. 3183) to provide an improved
farm program.

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23, insert the fol-
2 lowing:

3 “HOG MARKETING PREMIUM PAYMENTS

4 “SEC. 107. (a) In order to assure the orderly market-
5 ing of an adequate national supply of hogs and pork prod-
6 ucts, to encourage the increased domestic consumption of
7 pork and pork products, to maintain the productive capacity
8 of our hog farming industry, and to avoid the feeding of
9 hogs to less desirable weights, the Secretary of Agriculture
10 is authorized and directed, whenever he finds (1) that the
11 annual pig crop for any year will exceed the average pig

1 crop for the ten preceding years, or (2) that the national
2 average price received by farmers for hogs is less than 90
3 per centum of the parity price therefor, to make incentive
4 payments to hog producers to encourage the marketing of
5 hogs for slaughter at live weights of two hundred pounds
6 or less.

7 “(b) The amounts of incentive payments under this
8 section shall be established by the Secretary at such level,
9 not less than \$1 or more than \$3 per hundredweight, as
10 he determines is necessary to carry out the purposes of this
11 section except that (1) whenever the national average
12 price received by farmers for hogs in any month is less
13 than 85 per centum of the parity price for hogs, the in-
14 centive payment for such month shall not be less than \$2
15 per hundredweight, and (2) whenever such average
16 price for any month is less than 80 per centum of such
17 parity price, the incentive payment for such month shall be
18 \$3 per hundredweight. No producer shall be eligible to
19 receive incentive payments under this section totaling in
20 excess of \$1,200 in any calendar year.

21 “(c) The Secretary is authorized to use any funds of
22 the Commodity Credit Corporation, and any funds appro-
23 priated by section 32 of Public Law 320, Seventy-fourth
24 Congress (49 Stat. 774; 7 U. S. C. 612c), as amended,
25 in making the payments provided by this section.

1 “(d) Every purchaser of hogs for slaughter shall supply
2 to the producer of such hogs a ticket, in such form as may
3 be prescribed by the Secretary, showing the number of hogs
4 sold in weight classes of two hundred pounds or less and
5 the total weight of the hogs so sold. Such producer shall
6 make application for the payment of incentive benefits under
7 this section by filing the ticket received by him from the
8 buyer with the county committee for his county appointed
9 under section 8 (b) of the Soil Conservation and Domestic
10 Allotment Act.

11 “(e) Payments shall not be made under this section
12 after December 31, 1960.”

13 On page 4, line 24, strike out “107” and insert “108”.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. HUTCHINER to
the bill (S. 3183) to provide an improved
farm program.

FEBRUARY 14, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER, Mr. MURRAY, Mr. DOUGLAS, and Mr. HENNING) to the bill (S. 3183) to provide an improved farm program, viz: On page 4, between line 22 and 23, insert the following:

- 1 HOG AND BEEF CATTLE MARKETING PREMIUM PAYMENTS
- 2 SEC. 106. (a) It is recognized that pork and beef and
- 3 pork and beef products are strategic commodities essential to
- 4 the health, welfare and security of the Nation and that the
- 5 desired domestic production and consumption of such pork
- 6 and beef products is hindered by the depressing effect of
- 7 low prices to the producer, by wide fluctuations in supply
- 8 and price to the consumer, by the holding and feeding of
- 9 hogs and beef cattle to heavier and less desirable weights,
- 10 and by impaired purchasing power of the consumer.

1 It is hereby declared to be the policy of Congress, as a
2 measure of national security and in promotion of the general
3 economic welfare, to provide for a system of incentive pay-
4 ments direct to the producer upon hogs sold for slaughter
5 by him at weights of two hundred pounds or less and beef
6 cattle sold for slaughter by him at weights of one thousand
7 pounds or less, during the calendar years of 1956, 1957,
8 1958, 1959, and 1960, at such times as prices received by
9 producers are below 90 per centum of the parity price; in
10 order to assure the orderly marketing of an adequate national
11 supply of hogs and beef cattle and pork and beef products;
12 to encourage the increased domestic consumption of pork
13 and beef and pork and beef products; to maintain the produc-
14 tive capacity of our hog and beef cattle farming industries;
15 and to avoid the feeding of hogs and beef cattle to less desir-
16 able weights.

17 (b) The Secretary of Agriculture shall make, from any
18 funds appropriated by or for the purpose of carrying out the
19 provisions of section 32 of Public Law 320, Seventy-fourth
20 Congress, as amended, or from any funds available to the
21 Commodity Credit Corporation, incentive payments to hog
22 producers to encourage the marketing of hogs for slaughter
23 at weights of two hundred pounds or less and to beef cattle
24 producers to encourage the marketing of beef cattle for
25 slaughter at weights of one thousand pounds or less. Such

1 payments shall be made whenever the Secretary of Agricul-
2 ture finds (1), in the case of hogs, that the annual pig crop
3 for any year will exceed the average annual pig crop for the
4 ten preceding years or, in the case of beef cattle, that the
5 annual beef cattle crop exceeds the average annual beef cattle
6 crop for the ten preceding years, or (2) that the national
7 average price received by farmers for hogs or beef cattle, as
8 the case may be, is less than 90 per centum of the parity
9 price therefor.

10 (c) The amounts of incentive payments under this Act
11 shall be established by the Secretary at such level, not less
12 than \$1 nor more than \$3 per hundredweight, as he deter-
13 mines is necessary to carry out the purposes of this Act
14 except that (1) whenever the national average price re-
15 ceived by farmers for hogs or beef cattle, as the case may
16 be, in any month is less than 85 per centum of the parity
17 price, the incentive payment for such month shall not be
18 less than \$2 per hundredweight, and (2) whenever such
19 average price for any month is less than 80 per centum of
20 such parity price, the incentive payment for such month shall
21 be \$3 per hundredweight. No producer shall be eligible
22 to receive incentive payments under this Act totaling in
23 excess of \$1,200 in any calendar year.

24 (d) Every purchaser of hogs for slaughter shall supply
25 to the producer of such hogs a ticket, in such form as may

1 be prescribed by the Secretary, showing the number of
2 hogs sold in weight classes of two hundred pounds or less
3 and the total weight of the hogs so sold, and every pur-
4 chaser of beef cattle for slaughter shall supply to the pro-
5 ducer of such cattle a ticket, in such form as may be pre-
6 scribed by the Secretary, showing the number of such cattle
7 sold in weight classes of one thousand pounds or less and
8 the total weight of the cattle so sold. Such producer shall
9 make application for the payment of incentive benefits under
10 this Act by filing the ticket received by him from the buyer
11 with the county committee for his county appointed under
12 section 8 (b) of the Soil Conservation and Domestic Allot-
13 ment Act.

14 (e) Payments shall not be made under this section
15 after December 31, 1960.

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER, Mr. MURRAY, Mr. DOUGLAS, and Mr. HENNINGES) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. GEORGE to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 7, line 9, after the word "corn," insert the
2 word "peanuts,".

3 On page 8, line 24, after the word "corn," insert the
4 word "peanuts,".

5 On page 11, line 8, after the word "corn," insert the
6 word "peanuts,".

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. George to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 29, line 13, strike all of the section after the
2 words "per annum" and insert: "whose duties shall include
3 such responsibility for activities of the Department, includ-
4 ing those of the Commodity Credit Corporation, relating
5 to the disposal of surplus agricultural commodities as the
6 Secretary may direct".

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. AIKEN to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

MARCH 1, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ANDERSON (for Mr. HOLLAND)
to the bill (S. 3183) to provide an improved farm program,
viz: On page 25, between lines 14 and 15 insert the follow-
ing new section:

1 SEC. 225. (a) Notwithstanding any other provision of
2 law, and in lieu of corn acreage allotments for 1956, the
3 Secretary shall require as a condition of eligibility for price
4 support on any agricultural crop, except tung nuts, that the
5 producer agree to devote to soil-conserving crops or practices
6 to be determined by the Secretary, or allow to remain idle,
7 for a period of not less than one full production year, an
8 acreage of cropland out of that which such producer normally
9 devoted to soil-depleting crops, without additional compen-
10 sation other than payments for conservation practices under

1 the Agricultural Conservation Program carried out pursuant
2 to the Soil Conservation and Domestic Allotment Act, ap-
3 proved February 29, 1936, as amended: *Provided*, That this
4 requirement shall not be applied to any crop as a condition
5 for eligibility for price support in any year in which market-
6 ing quotas are in effect on such crop as the result of a refer-
7 endum conducted prior to the enactment of this Act: *Pro-*
8 *vided further*, That this requirement shall not be applicable
9 to any farm with fifteen acres or less devoted to price sup-
10 ported crops during any one marketing year: *Provided fur-*
11 *ther*, That if otherwise eligible a producer may receive con-
12 servation reserve payments under section 207 hereof on any
13 acreage that he agrees under this section to devote to soil-
14 conserving crops or practices, or allow to remain idle, for
15 three or more years. The amount of such acreage of crop-
16 land to be devoted to soil-conserving crops or practices under
17 this section shall be determined by applying a percentage
18 factor to the total acreage of cropland being planted to price-
19 supported crops for harvest during the marketing years for
20 which eligibility for price support is being determined. In
21 calculating the total acreage of cropland being devoted to price-
22 supported crops in 1956, there shall be deducted the acreage
23 planted to price-supported crops under marketing quotas and
24 other acreage devoted to price-supported crops seeded prior
25 to enactment of this Act. The percentage factor shall be

1 that determined by the Secretary, and in no event in excess
2 of 15 per centum of the acreage of cropland being devoted
3 to price-supported crops (excluding any acreage withdrawn
4 from cultivation for the purposes of the acreage reserve pro-
5 gram). The Secretary is authorized to make agricultural
6 conservation payments for approved conservation practices
7 performed on land removed from production for market under
8 this section.

9 (b) Except as the Secretary may otherwise provide
10 by regulation, no producers shall be eligible for any pay-
11 ment under this Act if the acreage of cropland devoted to
12 price-supported crops, other than tung nuts, on any farm
13 controlled by such producer is increased to an acreage greater
14 than the average devoted to such crops in the immediately
15 preceding five years (considering normal rotation practices).

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. ANDERSON (for
Mr. HOLLAND) to the bill (S. 3183) to pro-
vide an improved farm program.

MARCH 1, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 29, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 8, at the end of line 19, insert the following:
2 “For the purposes of this section and section 215, the
3 acreage allotment of corn of any producer for any year,
4 in which the national acreage allotment for corn is less than
5 such national acreage allotment for the preceding year,
6 shall be considered to be a number of acres equal to the acre-
7 age allotment of corn of such producer for the preceding
8 year, but only if the acreage planted to corn by such pro-
9 ducer in such preceding year did not exceed his acreage
10 allotment for such year.”

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to
the bill (S. 3183) to provide an improved
farm program.

FEBRUARY 29, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 29, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill
(S. 3183) to provide an improved farm program, viz:

1 On page 3, between lines 22 and 23, insert the
2 following:

3 "PRICE SUPPORTS—FEED GRAINS

4 "SEC. 104. Title II of the Agricultural Act of 1949,
5 as amended, is amended by adding at the end thereof a new
6 section as follows:

7 "SEC. 204. Whenever the price of barley, oats, rye,
8 or grain sorghums is supported under this Act, the prices of
9 each of the other such commodities shall be supported at
10 such level as the Secretary determines will cause such com-
11 modities to compete on equal terms on the market on the
12 basis of their comparable feed values.' "

13 Redesignate sections 104 to 107 as 105 to 108, re-
14 spectively.

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to
the bill (S. 3183) to provide an improved
farm program.

FEBRUARY 29, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 29, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MORSE (for himself, Mr. NEUBERGER, Mr. MAGNUSON, and Mr. MURRAY) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 29, beginning with line 17, strike out over
- 2 through line 17 on page 30.

2-29-56—A

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. MORSE (for himself, Mr. NEUBERGER, Mr. MAGNUSON, and Mr. MURRAY) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 29, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CAPEHART to the bill (S. 3183)
to provide an improved farm program, viz: At the end of
the bill add a new title as follows:

1 **TITLE VII—MISCELLANEOUS**

2 **EXTENSION OF SPECIAL LIVESTOCK LOAN PROVISIONS TO**

3 **PRODUCERS OF HOGS**

4 SEC. 701. Section 2 (c) of the Act of April 6, 1949,
5 as amended (12 U. S. C. 1148a-1148a-2 (c)), is amended
6 by inserting after "sheep," the following: "hogs,".

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. CAPENART to
the bill (S. 3183) to provide an improved
farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. BUTLER to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 7, line 10, after "burley tobacco," insert the
2 following: "Maryland tobacco,".

3 On page 8, line 24, after "burley tobacco," insert the
4 following: "Maryland tobacco,".

5 On page 11, line 9, after "burley tobacco," insert the
6 following: "Maryland tobacco,".

84TH CONGRESS
2D Session

S. 3183

AMENDMENTS

Intended to be proposed by Mr. BUTLER to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program viz: At the end of the bill insert the following new title:

1 **TITLE VII—POWER RATES**

2 **PROHIBITION ON INCREASING RATES FOR PREFERENCE**

3 **CUSTOMERS**

4 SEC. 701. For a period of eighteen months after the
5 date of enactment of this Act, the Secretary of the Interior
6 shall not, in the disposition of electric power and energy
7 generated at projects under the control of the Federal Gov-
8 ernment (or any department or agency thereof), make any
9 charge for any such power and energy furnished to any
10 public body or cooperative at any rate in excess of the rate
11 charged on February 27, 1956, for electric power and
12 energy furnished by him to such public body or cooperative.

S. 3183

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23, insert the following:

2 “LIMIT ON PRICE SUPPORT

3 “SEC. 107. The Agricultural Act of 1949 is amended

4 by adding at the end thereof the following new section:

5 “‘SEC. 421. The total amount of price support made

6 available under this Act to any person for any year through

7 loans to such person, or through purchases made by Com-

8 modity Credit Corporation from such person, shall not ex-

9 ceed \$25,000. The term “person” shall mean any indi-

10 vidual, partnership, firm, joint stock company, corporation,

11 association, trust, estate, or agency of a State. In the event

1 of any loan to, or purchase from, a cooperative marketing
2 association, such limitation shall apply to the amount of price
3 support made available through such cooperative association
4 to each person. The limitation herein on the amount of
5 price support made available to any person shall not apply
6 if price support is extended by purchases of a product of an
7 agricultural commodity from processors and the Secretary
8 determines that it is impracticable to apply such limitations.’ ”

9 On page 4, line 24, strike out “107” and insert “108”.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY (for himself and Mr. MORSE) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23 insert the follow-
2 ing:

3 “AUTHORITY FOR PAYMENTS

4 “SEC. 107. (a) Section 303 of the Agricultural Adjust-
5 ment Act of 1938, as amended, is amended by inserting
6 after ‘rice,’ the following: ‘hogs, cattle, manufacturing
7 milk,’.

8 “(b) Such section is further amended by inserting ‘(a)’
9 after the section number and adding at the end thereof a new
10 subsection as follows:

1 “(b) The Secretary is authorized, at any time, to make
 2 payments for the purposes of subsection (a), with respect
 3 to any of the commodities specified therein, and to use for
 4 such purposes the funds appropriated by or for the purposes
 5 of section 32 of Public Law 320, Seventy-fourth Congress,
 6 as amended (7 U. S. C. 612c).’”

7 On page 4, line 24, strike out “107” and insert “108”.

84TH CONGRESS
2D SESSION

S. 3183

Calendar No. 1503

AMENDMENTS

Intended to be proposed by Mr. HUMPHREY
 (for himself and Mr. MORSE) to the bill (S.
 3183) to provide an improved farm pro-
 gram.

FEBRUARY 27, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. RUSSELL to the bill (S. 3183),
to provide an improved farm program, viz: On page 46,
between lines 5 and 6, insert a new title as follows:

1 **TITLE VI—COTTON**

2 SEC. 601. Part IV of subtitle B of title III of the
3 Agricultural Adjustment Act of 1938, as amended, is
4 amended to read as follows:

5 “PART IV—COTTON MARKETING CERTIFICATES

6 “LEGISLATIVE FINDINGS

7 “SEC. 341. American cotton is a basic source of clothing
8 and industrial products used by every person in the United
9 States and by substantial numbers of people in foreign coun-
10 tries. American cotton is sold on a worldwide market and

1 moves from the places of production almost entirely in inter-
2 state and foreign commerce to processing establishments
3 located throughout the world.

4 "Fluctuations in supplies of cotton and the marketing
5 of excessive supplies of cotton in interstate and foreign
6 commerce disrupt the orderly marketing of cotton in such
7 commerce with consequent injury to and destruction of such
8 commerce. Excessive supplies of cotton directly and mate-
9 rially affect the volume of cotton moving in interstate and
10 foreign commerce with consequent diminution of the volume
11 of such commerce in industrial products.

12 "Conditions affecting the production and marketing of
13 cotton are such that, without Federal assistance, farmers,
14 individually or in cooperation, cannot effectively prevent
15 the recurrence of excessive supplies and the resulting depres-
16 sion of prices. Existing programs of assistance to farmers
17 have resulted in the accumulation of large surpluses in the
18 hands of Government agencies.

19 "It is in the interest of the general welfare and neces-
20 sary to the free flow of interstate and foreign commerce that
21 producers of cotton be assured a fair return for their product,
22 and that disposition in world markets of existing surpluses as
23 well as future production in excess of domestic requirements
24 be encouraged.

25 "In order to provide an adequate and balanced flow of

1 cotton in interstate and foreign commerce and thereby assist
2 farmers in obtaining parity of income by marketing cotton
3 for domestic consumption at parity prices and by increased
4 exports at world prices, and to assure consumers an adequate
5 and steady supply of cotton at fair prices, it is necessary
6 to regulate all commerce in cotton in the manner provided
7 under the marketing certificate plan set forth in this subtitle.

8 "DOMESTIC QUOTA

9 "SEC. 342. Whenever during any calendar year the
10 Secretary determines that the total supply of cotton for
11 the marketing year beginning in such calendar year will
12 exceed the normal supply for such marketing year, the
13 Secretary shall proclaim such fact and a national domestic
14 quota shall be in effect for the crop of cotton produced in
15 the next calendar year. The Secretary shall also determine
16 and specify in such proclamation the amount of the domestic
17 quota for cotton which shall be equal to the number of
18 pounds of cotton which he determines will be processed
19 in the United States during such marketing year for con-
20 sumption in the United States, except that (1) for any
21 year for which the Secretary determines that the amount
22 of cotton owned by or pledged to the Commodity Credit
23 Corporation exceeds three million five hundred thousand
24 bales such domestic quota shall be equal to 90 per centum
25 of the number of pounds which he determines will be so

1 processed, and (2) in no case shall such domestic quota be
2 less than five billion pounds. Such proclamation shall be
3 made not later than October 15 of the calendar year in which
4 such determination is made.

5 "REFERENDUM

6 "SEC. 343. Not later than December 15 following the
7 issuance of the proclamation provided for in section 342,
8 the Secretary shall conduct a referendum, by secret ballot, of
9 farmers engaged in the production of cotton in the calendar
10 year in which the referendum is held, to determine whether
11 such farmers are in favor of or opposed to the domestic quota
12 so proclaimed. If more than one-third of the farmers voting
13 in the referendum oppose the domestic quota, such quota
14 shall become ineffective upon proclamation of the results
15 of the referendum. The Secretary shall proclaim the results
16 of any referendum held hereunder within thirty days after
17 the date of such referendum.

18 "APPORTIONMENT OF DOMESTIC QUOTA

19 "SEC. 344. (a) The domestic quota for cotton shall be
20 apportioned by the Secretary among the several States on
21 the basis of the amount of cotton produced in such States
22 during the five calendar years immediately preceding the
23 calendar year in which the domestic quota is proclaimed,
24 with adjustments for abnormal weather conditions during
25 such period.

1 “(b) The State domestic quota for cotton shall be
2 apportioned to counties on the same basis as to years and
3 conditions as is applicable to the State under subsection (a),
4 except that the State committee may reserve not to exceed
5 10 per centum of its State domestic quota (15 per centum
6 in the case of Oklahoma) which shall be used to make
7 adjustments in county allotments for trends in production,
8 for counties adversely affected by abnormal conditions affect-
9 ing planting, or for small or new farms, or to correct inequi-
10 ties in farm allotments and to prevent hardship.

11 “(c) (1) The county domestic allotment, less not to
12 exceed the percentage provided for in paragraph (2), shall
13 be apportioned to farms on which cotton has been planted,
14 or with respect to which notice has been given as provided in
15 paragraph (3), in any one of the three years immediately
16 preceding the year for which such allotment is determined,
17 on the basis of the highest amount of cotton produced on each
18 such farm in any one of such three years, except that the
19 domestic allotment for any farm on which cotton has been
20 produced in each of the three years immediately preceding
21 the year for which such allotment is determined shall not
22 be less than one thousand pounds.

23 “(2) The county committee may reserve not in excess
24 of 15 per centum of the county allotment which, in addition
25 to the amount made available from the reserve established

1 under subsection (b), shall be used for (A) establishing
2 allotments for farms on which cotton was not produced, and
3 with respect to which no notice was given in accordance
4 with paragraph (3), during any of the three calendar years
5 immediately preceding the year for which the domestic allot-
6 ment is made, on the basis of land, labor, and equipment
7 available for the production of cotton, crop rotation practices,
8 and the soil and other physical facilities affecting the pro-
9 duction of cotton; and (B) making adjustments of the farm
10 domestic allotments established under paragraph (1) so as to
11 establish allotments which are fair and reasonable in relation
12 to the factors set forth in this paragraph and abnormal con-
13 ditions of production on such farms, or in making adjustments
14 in farm domestic allotments to correct inequities and to
15 prevent hardships.

16 “(3) In any case in which, during any year for which
17 a domestic allotment is made under this subsection, no cotton
18 is produced on a farm for which any such allotment is made
19 and the owner and operator of such farm shall have given
20 notice in writing thereof in such form and at such time as
21 may be prescribed by the Secretary, there shall be deemed
22 for the purposes of this section to have been produced during
23 such year on such farms an amount of cotton equal to the
24 amount produced on such farm in the most recent year in
25 which cotton was actually produced on such farm. No part

1 of the domestic allotment of any farm for any year with
2 respect to which a notice is given under this paragraph shall
3 be reassigned for such year to any other farm.

4 “(d) Notwithstanding any other provision of this sec-
5 tion no amount of cotton produced on any farm in excess of
6 the domestic allotment for such farm shall be taken into
7 account in establishing future State, county, and farm
8 domestic allotments.

9 “(e) State and county committees shall make available
10 for inspection by owners or operators of farms receiving
11 domestic allotments all records pertaining to cotton acreage
12 allotments and marketing quotas.

13 “MARKETING CERTIFICATES

14 “SEC. 345. (a) The Secretary shall prepare for issu-
15 ance in each county cotton marketing certificates aggregating
16 the amount of the county domestic quota. Such certificates
17 shall be issued for each farm in an amount equal to the
18 domestic quota established for the farm pursuant to the
19 applicable provisions of section 344 of this Act. The mar-
20 keting certificates for a farm shall be issued to the farm
21 operator, but the Secretary may authorize the issuance of
22 marketing certificates to individual producers on any farm
23 on the basis of their respective shares in the cotton crop, or
24 the proceeds thereof, produced on the farm. The Secretary
25 shall also issue and sell marketing certificates in such quan-

1 titles as may be required to importers of cotton products
2 and persons processing cotton into cotton products. Market-
3 ing certificates shall be transferable only in accordance with
4 regulations issued by the Secretary.

5 “(b) Whenever a domestic quota is proclaimed for any
6 marketing year pursuant to section 342 of this Act, the
7 Secretary shall determine and proclaim for such marketing
8 year (1) the estimated parity price and the estimated farm
9 price for cotton, and (2) the value of the marketing certifi-
10 cate. The value of the marketing certificate shall be equal
11 to the amount by which the estimated parity price exceeds
12 the estimated farm price as determined herein. The value
13 of the marketing certificate shall be computed to the nearest
14 cent. The proclamation required by this subsection shall
15 be made during the month of July immediately preceding
16 the marketing year for which such domestic quota is pro-
17 claimed.

18 “(c) The Secretary is authorized and directed through
19 the Commodity Credit Corporation to buy and sell market-
20 ing certificates issued for any marketing year at the value
21 proclaimed pursuant to subsection (b) of this section. For
22 the purpose of facilitating the purchase and sale of certificates,
23 the Secretary may establish and operate a pool or pools and
24 he may also authorize public and private agencies to act
25 as his agents, either directly or through the pool or pools.

1 Certificates shall be valid to cover sales and importations of
2 products made during the marketing year with respect to
3 which they are issued and after being once used to cover
4 such sales and importations shall be canceled by the Secre-
5 tary. Any unused certificates shall be redeemed by the
6 Secretary at the face value thereof.

7 "MARKETING RESTRICTIONS

8 "SEC. 346. (a) All persons engaged in the processing
9 of cotton into products composed wholly or partly of cotton
10 are hereby prohibited from marketing any such product for
11 domestic consumption or export containing cotton in excess
12 of the quantity for which marketing certificates issued pur-
13 suant to section 345 of this Act have been acquired by such
14 person.

15 "(b) All persons are hereby prohibited from importing
16 or bringing into the continental United States any products
17 containing cotton in excess of the quantity for which market-
18 ing certificates issued pursuant to section 345 of this Act
19 have been acquired by such person.

20 "(c) Upon the exportation from the continental United
21 States of any product containing cotton, the Secretary shall
22 pay to the exporter an amount equal to the value of the cer-
23 tificates for the quantity of cotton so exported. For the pur-
24 poses of this subsection, the consignor named in the bill
25 of lading, under which the article is exported, shall be con-

1 sidered the exporter: *Provided, however,* That any other
2 person may be considered to be the exporter if the consignor
3 named in the bill of lading waives claim in favor of such
4 other person.

5 "CONVERSION FACTORS

6 "SEC. 347. The Secretary shall promulgate rules and
7 regulations for determining the amount of cotton contained
8 in products processed wholly or partly from cotton, and
9 wherever practicable shall ascertain and establish conver-
10 sion factors for such purposes based upon the weight of
11 cotton used in the processing of such products.

12 "CIVIL PENALTIES

13 "SEC. 348. Any person who violates or attempts to
14 violate, or who participates or aids in the violation of, any
15 of the provisions of subsection (a) or (b) of section 346 of
16 this Act shall forfeit to the United States a sum equal to
17 three times the market value, at the time of the commission
18 of such Act, of the product involved in such violation. Such
19 forfeiture shall be recoverable in a civil suit brought in the
20 name of the United States.

21 "ADJUSTMENTS IN DOMESTIC QUOTAS

22 "SEC. 349. If the Secretary has reason to believe that
23 because of a national emergency or because of a material
24 increase in demand for cotton, the domestic quota for cotton

1 should be increased or suspended, he shall cause an im-
2 mediate investigation to be made to determine whether the
3 increase or suspension is necessary in order to meet such
4 emergency or increase in the demand for cotton. If, on the
5 basis of such investigation, the Secretary finds that such in-
6 crease or suspension is necessary, he shall immediately pro-
7 claim such finding (and if he finds an increase is necessary,
8 the amount of the increase found by him to be necessary)
9 and thereupon such quotas shall be increased or shall be
10 suspended, as the case may be. In case any domestic quota
11 for cotton is increased under this section, each farm quota for
12 cotton shall be increased in the same ratio and marketing
13 certificates shall be issued therefor in accordance with sec-
14 tion 345 of this Act. In case any domestic quota for cotton
15 is suspended under this section, the Secretary may redeter-
16 mine the value of marketing certificates issued pursuant to
17 section 345 of this Act."

18 SEC. 602. The foregoing provisions of this title shall
19 be effective with respect to cotton marketed during the
20 marketing year beginning in 1957 and subsequent marketing
21 years.

22 SEC. 603. The provisions of the Agricultural Act of 1949
23 relating to price support shall not be applicable with respect
24 to cotton produced during any year in which domestic quotas

1 are in effect under the provisions of part IV of subtitle B
2 of title III of the Agricultural Adjustment Act of 1938,
3 as amended.

4 INAPPLICABLE TO EXTRA LONG STAPLE COTTON

5 SEC. 604. The foregoing provisions of this title shall not
6 apply to extra long staple cotton which is produced from
7 pure strain varieties of the Barbados species, or any hybrid
8 thereof, or other similar types of extra long staple cotton
9 designated by the Secretary having characteristics needed for
10 various end uses for which American upland cotton is not
11 suitable, and grown in irrigated cotton-growing regions of
12 the United States designated by the Secretary or other areas
13 designated by the Secretary as suitable for the production of
14 such varieties or types, and the existing provisions of part
15 IV of subtitle B of title III of the Agricultural Adjustment
16 Act of 1938, as amended, insofar as they relate to such
17 extra long staple cotton, shall continue in effect as though
18 this title had not been enacted.

19 QUOTA FOR COTTON PRODUCTS

20 SEC. 605. (a) In addition to any other tax or duty im-
21 posed by law, there is hereby imposed upon articles
22 imported into the United States from any foreign country,
23 which are manufactured in whole or in part from cotton,
24 a tax of 12 cents per pound on the cotton contained in
25 such articles.

1 (b) The tax imposed by this section shall be collected
2 only in the case of articles imported into the United States,
3 from a foreign country during any calendar year beginning
4 after December 31, 1956, after there shall have been im-
5 ported into the United States from such country during
6 such calendar year articles containing an amount of cotton
7 equal in weight to the amount of cotton contained in articles
8 manufactured in whole or in part from cotton and imported
9 into the United States during the calendar year 1952.

10 (c) The taxes imposed by this section shall be levied,
11 assesed, collected and paid in the same manner as a duty
12 imposed by the Tariff Act of 1930 and shall be treated
13 for the purposes of all provisions of law relating to the
14 customs revenue as a duty imposed by such Act.

84TH CONGRESS
2^D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. Russell to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER and Mr. MURRAY) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 30, between lines 17 and 18, insert the follow-
2 ing:

3 **FOOD STAMP PLAN**

4 SEC. 310 (a). In order to promote the general welfare,
5 raise the levels of health and of nourishment for persons
6 whose incomes do not permit them to enjoy adequate diets,
7 and to remove the specter of want, malnutrition, or hunger
8 in the midst of mountains of surplus food now accumulating
9 under Government ownership in warehouses and other

1 storage facilities, the Secretary of Agriculture (hereinafter
2 referred to as the "Secretary") is hereby authorized and
3 directed to promulgate and put into operation, as quickly as
4 possible, a program to distribute to eligible persons in the
5 United States through a food stamp system a portion of the
6 surpluses of food commodities acquired and being stored by
7 the Federal Government by reason of its price-support opera-
8 tions or other purchase programs.

9 (b) In carrying out such program, the Secretary shall—

10 (1) distribute surplus food made available by the
11 Secretary for distribution under this program only when
12 requested to do so by a State or political subdivision
13 thereof;

14 (2) issue, or cause to be issued, pursuant to sub-
15 section (c), food stamps redeemable by eligible persons
16 for such types and quantities of surplus food as the
17 Secretary shall determine;

18 (3) distribute surplus food in packaged or other
19 convenient form on the local level through the normal
20 channels of trade;

21 (4) establish standards under which, pursuant to
22 subsection (c), the welfare authorities of any State or
23 political subdivision thereof may participate in the food
24 stamp plan for the distribution of surplus foods to persons
25 eligible therefor; and

1 (5) make such other rules and regulations as he
2 may deem necessary to carry out the purpose of this
3 Act.

4 (c) The Secretary shall issue, to each welfare de-
5 partment or equivalent agency of a State or political sub-
6 division requesting the distribution of surplus food under
7 subsection (b) (1), food stamps for each kind of surplus food
8 to be distributed, in amounts based on the total amount of
9 surplus food to be distributed and on the total number of
10 persons in the various States and political subdivisions
11 eligible to receive such food. The food stamps shall be
12 issued by each such welfare department or equivalent agency
13 to persons eligible therefor, and shall be redeemable by such
14 persons at any retail outlet in the normal channels of trade,
15 unless the owner or operator refuses to participate in the
16 food stamp program.

17 (d) Surplus food distributed under this section shall
18 be in addition to, and not in place of, any welfare assistance
19 (financial or otherwise) granted needy persons by a State
20 or any political subdivision thereof.

21 (e) In any one calendar year the Secretary is author-
22 ized to distribute surplus food under this section of a value
23 of up to \$1,000,000,000, based on the cost of the Federal
24 Government of acquiring, storing, and handling such food.

25 (f) The distribution of surplus food to persons eligible

1 therefor in the United States under this section shall be
2 in place of distribution to such persons under section 32
3 of the Act entitled "An Act to amend the Agricultural
4 Adjustment Act, and for other purposes", approved August
5 24, 1935 (7 U. S. C., sec. 612c), as amended, and section
6 416 of the Agricultural Act of 1949. Distribution of sur-
7 plus food under this section shall be subject to the same
8 system of priorities as is presently provided for in such
9 sections.

10 (g) For the purposes of this section, an eligible person
11 is anyone (1) who is receiving benefits or assistance under
12 the programs of old-age assistance, Federal Old-Age and
13 Survivors Insurance Benefits, aid to dependent children, aid
14 to the blind, and aid to the permanently and totally disabled
15 provided for in titles I, II, IV, X, and XIV of the Social
16 Security Act; or (2) who is receiving welfare assistance
17 (financial or otherwise) from the welfare department or
18 equivalent agency of any State or political subdivision
19 thereof, or who is, in the opinion of such agency or agencies,
20 in need of welfare assistance but is ineligible to receive it
21 because of State or local law; or (3) Indians living on
22 reservations who would qualify under applicable Federal or
23 State law for public assistance.

1 (h) There are hereby authorized to be appropriated,
2 out of any money in the Treasury not otherwise appro-
3 priated, such sums as may be necessary to carry out the
4 purposes of this section.

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER and Mr. MURRAY) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 24, 1956

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Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

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AMENDMENT

Intended to be proposed by Mr. CARLSON (for himself, Mr. MORSE, Mr. MAGNUSON, Mr. CASE of South Dakota, Mr. CURTIS, Mr. JACKSON, Mr. NEUBERGER, and Mr. MCNAMARA) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 3, line 14, insert the following new section
2 102a, reading as follows:

3 WHEAT—DOMESTIC PARITY

4 SEC. 102a. Title III of the Agricultural Adjustment
5 Act of 1938, as amended, is amended (1) by changing the
6 designation thereof to read as follows: "TITLE III—
7 LOANS, PARITY PAYMENTS, CONSUMER SAFE-
8 GUARDS, MARKETING QUOTAS, AND MARKET-
9 ING CERTIFICATES"; (2) by changing the designation

1 of subtitle D thereof to read as follows: "SUBTITLE E—MIS-
2 CELLANEOUS PROVISIONS AND APPROPRIATIONS"; and (3)
3 by inserting after subtitle C a new subtitle D, as follows:

4 "SUBTITLE D—WHEAT MARKETING CERTIFICATES
5 "LEGISLATIVE FINDINGS

6 "SEC. 380a. Wheat, in addition to being a basic food,
7 is one of the great export crops of American agriculture and
8 its production for domestic consumption and for export is es-
9 sential to the maintenance of a sound national economy and
10 to the general welfare. The movement of wheat from pro-
11 ducer to consumer, in the form of the commodity or any of
12 the products thereof, is preponderantly in interstate and for-
13 eign commerce. That small percentage of wheat which is
14 produced and consumed within the confines of any State is
15 normally commingled with, and always bears a close and
16 intimate commercial and competitive relationship to, that
17 quantity of such commodity which moves in interstate and
18 foreign commerce. For this reason, any regulation of intra-
19 state commerce in wheat is a regulation of commerce which
20 is in competition with, or which otherwise affects, obstructs,
21 or burdens, interstate commerce in that commodity. In
22 order to provide an adequate and balanced flow of wheat in
23 interstate and foreign commerce and thereby assist farmers
24 in obtaining parity of income by marketing wheat for domes-
25 tic consumption at parity prices and by increased exports at

1 world prices, and to assure consumers an adequate and steady
2 supply of wheat at fair prices, it is necessary to regulate all
3 commerce in wheat in the manner provided under the
4 marketing certificate plan set forth in this subtitle.

5 "DOMESTIC FOOD QUOTA

6 "SEC. 380b. Not later than July 1 of each calendar year
7 the Secretary shall determine and proclaim the domestic
8 food quota for wheat for the marketing year beginning in the
9 next calendar year. Such domestic food quota shall be that
10 number of bushels of wheat which the Secretary determines
11 will be consumed as human food in the continental United
12 States during such marketing year.

13 "APPORTIONMENT OF DOMESTIC FOOD QUOTA

14 "SEC. 380c. (a) The domestic food quota for wheat,
15 less a reserve of not to exceed 1 per centum thereof for
16 apportionment as provided in this subsection, shall be ap-
17 portioned by the Secretary among the several States on the
18 basis of the total production of wheat in each State during
19 the five calendar years immediately preceding the calendar
20 year in which the quota is proclaimed, with such adjustments
21 as are determined to be necessary for adverse weather
22 conditions and for trends in production during such period.
23 The reserve quota set aside herein for apportionment by the
24 Secretary shall be used to establish quotas for counties, in
25 addition to the county quotas established under subsection

1 (b) of this section, on the basis of the relative needs of
2 counties for additional quota because of reclamation and
3 other new areas coming into the production of wheat during
4 the five calendar years immediately preceding the calendar
5 year in which the quota is proclaimed.

6 “(b) The State domestic food quota for wheat, less a
7 reserve of not to exceed 3 per centum thereof for apportion-
8 ment as provided in subsection (c), shall be apportioned by
9 the Secretary among the counties in the State on the basis
10 of the total production of wheat in each county during the
11 five calendar years immediately preceding the calendar year
12 in which the quota is proclaimed, with such adjustments as
13 are determined to be necessary for adverse weather conditions
14 and for trends in production during such period.

15 “(c) The county domestic food quota for wheat shall be
16 apportioned by the Secretary, through the local committees,
17 among the farms within the county on which wheat has been
18 seeded for the production of wheat during any one or more
19 of the three calendar years immediately preceding the
20 calendar year in which the marketing year for which the
21 quota is proclaimed begins, on the basis of the normal yield
22 of the acreage planted to wheat during such three-year period.
23 The reserve provided under subsection (b) shall be used to
24 adjust farm quotas which the county committee determines to

1 be inequitable on the basis of tillable acres, crop-rotation
2 practices, type of soil, and topography.

3 "MARKETING CERTIFICATES

4 "SEC. 380d. (a) The Secretary shall prepare for issu-
5 ance in each county marketing certificates aggregating the
6 amount of the county domestic food quota. Such certificates
7 shall be issued to cooperators in an amount equal to the
8 domestic food quota established for the farm pursuant to the
9 applicable provisions of section 380c of this Act. The mar-
10 keting certificates for a farm shall be issued to the farm
11 operator, but the Secretary may authorize the issuance of
12 marketing certificates to individual producers on any farm
13 on the basis of their respective shares in the wheat crop, or
14 the proceeds thereof, produced on the farm. The Secretary
15 shall also issue and sell marketing certificates in such quan-
16 tities as may be required to persons processing wheat into
17 food products. Marketing certificates shall be transferable
18 only in accordance with regulations issued by the Secretary.

19 "(b) Whenever a domestic food quota is proclaimed for
20 any marketing year pursuant to section 380b of this Act, the
21 Secretary shall determine and proclaim for such marketing
22 year (1) the estimated parity price and the estimated farm
23 price for wheat, and (2) the value of the marketing certifi-

1 cate. The value of the marketing certificate shall be equal to
2 the amount by which the estimated parity price exceeds the
3 estimated farm price as determined herein. The value of
4 the marketing certificate shall be computed to the nearest
5 cent. The proclamation required by this subsection shall be
6 made during the month of June immediately preceding the
7 marketing year for which such domestic food quota is
8 proclaimed.

9 “(c) The Secretary is authorized and directed through
10 the Commodity Credit Corporation to buy and sell market-
11 ing certificates issued for any marketing year at the value
12 proclaimed pursuant to subsection (b) of this section. For
13 the purpose of facilitating the purchase and sale of certifi-
14 cates, the Secretary may establish and operate a pool or
15 pools and he may also authorize public and private agencies
16 to act as his agents, either directly or through the pool or
17 pools. Certificates shall be valid to cover sales and importa-
18 tions of products made during the marketing year with
19 respect to which they are issued and after being once used to
20 cover such sales and importations shall be canceled by the
21 Secretary. Any unused certificates shall be redeemed by the
22 Secretary at the price established for such certificates.

23 “MARKETING RESTRICTIONS

24 “SEC. 380e. (a) Except as provided in subsection (d)
25 hereof, all persons engaged in the processing of wheat into

1 food products composed wholly or partly of wheat are hereby
2 prohibited from marketing any such product for domestic
3 food consumption or export containing wheat in excess of
4 the quantity for which marketing certificates issued pursuant
5 to section 380 of this Act have been acquired by such person.

6 “(b) Except as provided in subsection (d) hereof, all
7 persons are hereby prohibited from importing or bringing
8 into the continental United States any food products con-
9 taining wheat in excess of the quantity for which marketing
10 certificates issued pursuant to section 380d of this Act have
11 been acquired by such person.

12 “(c) Upon the exportation from the continental United
13 State of any food product containing wheat, with respect
14 to which marketing certificates as required herein have been
15 acquired, the Secretary shall pay to the exporter an amount
16 equal to the value of the certificates for the quantity of wheat
17 so exported in the food product. For the purposes of this
18 subsection, the consignor named in the bill of lading, under
19 which the article is exported, shall be considered the exporter:
20 *Provided, however,* That any other person may be considered
21 to be the exporter if the consignor named in the bill of lading
22 waives claim in favor of such other person.

23 “(d) Upon the giving of a bond satisfactory to the Sec-
24 retary under such rules and regulations as he shall prescribe
25 to secure the purchase of and payment for such marketing

1 certificates as may be required, any person required to have
2 a marketing certificate in order to market or import a food
3 product composed wholly or partly of wheat may market or
4 import any such commodity without having first acquired a
5 marketing certificate.

6 “(e) As used in section 380e of this title, the term
7 ‘marketing’ means the sale and the delivery of the food
8 product composed wholly or partly of wheat.

9 “CONVERSION FACTORS

10 “SEC. 380f. The Secretary shall ascertain and establish
11 conversion factors showing the amount of wheat contained in
12 food products processed wholly or partly from wheat. The
13 conversion factor for any such product shall be determined
14 upon the basis of the weight of wheat used in the processing
15 of such product.

16 “CIVIL PENALTIES

17 “SEC. 380g. Any person who violates or attempts to
18 violate, or who participates or aids in the violation of, any
19 of the provisions of subsection (a) or (b) of section 380e
20 of this Act shall forfeit to the United States a sum equal to
21 three times the market value, at the time of the commission
22 of such act, of the product involved in such violation. Such
23 forfeiture shall be recoverable in a civil suit brought in the
24 name of the United States.

1 “ADJUSTMENTS IN DOMESTIC FOOD QUOTAS

2 “SEC. 380h. If the Secretary has reason to believe that
3 because of a national emergency or because of a material
4 increase in demand for wheat, the domestic food quota for
5 wheat should be increased or suspended, he shall cause an
6 immediate investigation to be made to determine whether
7 the increase or suspension is necessary in order to meet such
8 emergency or increase in the demand for wheat. If, on the
9 basis of such investigation, the Secretary finds that such
10 increase or suspension is necessary, he shall immediately
11 proclaim such finding (and if he finds an increase is neces-
12 sary, the amount of the increase found by him to be neces-
13 sary) and thereupon such quotas shall be increased or shall
14 be suspended, as the case may be. In case any domestic
15 food quota for wheat is increased under this section, each
16 farm quota for wheat shall be increased in the same ratio
17 and marketing certificates shall be issued therefor in accord-
18 ance with section 380d of this Act. In case any domestic
19 food quota for wheat is suspended under this section, the
20 Secretary may redetermine the value of marketing certificates
21 issued pursuant to section 380d of this Act.

22 “REPORTS AND RECORDS

23 “SEC. 380i. (a) The provisions of section 373 of this
24 Act shall apply to all persons, except wheat producers, who

1 are subject to the provisions of this subtitle, except that any
2 such person failing to make any report or keep any record
3 as required by this section or making any false report or
4 record shall be deemed guilty of a misdemeanor and upon
5 conviction thereof shall be subject to a fine of not more than
6 \$2,000 for each such violation.

7 “(b) The provisions of section 373 (b) of the Act
8 shall apply to all wheat farmers who are subject to the
9 provisions of this subtitle.

10 “REFERENDUM

11 “SEC. 380j. In the referendum held pursuant to section
12 336 of this Act on the national marketing quota proclaimed
13 for the 1957 crop of wheat, the Secretary shall also submit
14 the question whether farmers favor a marketing certificate
15 program under this subtitle in lieu of marketing quotas under
16 subtitle B. If more than one-half of the farmers voting in
17 the referendum favor such marketing certificate program,
18 the Secretary shall, prior to the effective date of the national
19 marketing quota proclaimed under subtitle B, suspend the
20 operation of such quota and a marketing certificate program
21 shall be in effect for the 1957 and subsequent wheat crops
22 under the provisions of this subtitle and marketing quotas
23 and acreage allotments shall not be in effect for wheat under
24 subtitle B. If the marketing certificate program authorized

1 by this Act is approved for the 1957 crop by farmers voting
2 in a referendum as provided herein, the provisions of section
3 101 (d) (8) of the Agricultural Act of 1949, as amended,
4 shall have no applicability to the 1957 crop of wheat.

5 "PRICE SUPPORT

6 "SEC. 380k. Notwithstanding any other provision of
7 law—

8 "(a) Whenever a wheat marketing certificate program
9 under this subtitle is in effect, price support for wheat shall
10 be determined in accordance with the provisions of sub-
11 section (b) of this section.

12 "(b) The Secretary of Agriculture is authorized to make
13 available through loans, purchases, or other operations,
14 price support to producers of wheat who are cooperators.
15 The amount, terms, conditions, and extent of such price-
16 support operations shall be determined by the Secretary,
17 except that the level of such support shall be determined
18 after taking into consideration the following factors: (1)
19 the supply of the commodity in relation to the demand there-
20 for, (2) the price levels at which corn and other feed
21 grains are being supported and the feed value of such grains
22 in relation to wheat, (3) the provisions of any international
23 agreement relating to wheat to which the United States is
24 a party, (4) foreign trade policies of friendly wheat export-

1 ing countries, and (5) other factors affecting international
2 trade in wheat including exchange rates and currency regu-
3 lations.

4 “(c) Compliance by the producer with acreage allot-
5 ments, production goals, and marketing practices (excluding
6 marketing quotas) may be prescribed and required by the
7 Secretary as a condition of eligibility for price support and
8 for the receipt of wheat marketing certificates.”

AMENDMENT

Intended to be proposed by Mr. CARLSON (for himself, Mr. MORSE, Mr. MAGNUSON, Mr. CASE of South Dakota, Mr. CURTIS, Mr. JACKSON, Mr. NEUBERGER, and Mr. MCNAMARA) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 24, 1956

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84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

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AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program, viz: On page 25, strike out lines 16 to 20, inclusive, and insert in lieu thereof the following:

1 NATIONAL SAFETY RESERVE

2 SEC. 301. (a) Notwithstanding the provisions of sec-
3 tion 102 of the Agricultural Act of 1954, the quantity of
4 cotton and wheat in the commodity set-aside created pur-
5 suant to section 101 of that Act shall be increased to six
6 million bales of cotton; seven hundred and fifty million
7 bushels of wheat; and there shall be added to such set-aside
8 two hundred and fifty million bushels of corn.

9 (b) The second sentence in section 101 of the Agri-
10 cultural Act of 1954 is amended to read as follows:

1 “Such quantities shall be known as the ‘national safety
2 reserve of food and fiber’.”

3 (c) Sections 102 to 106, inclusive of the Agricultural
4 Act of 1949, as amended, is amended by striking out
5 “commodity set-aside” and “set-aside” wherever they appear
6 in such sections and inserting in lieu thereof “national
7 safety reserve”.

8 (d) Section 103 of the Agricultural Act of 1954, as
9 amended, is amended to read as follows:

10 “SEC. 103. (a) The national safety reserve of food and
11 fiber shall not be reduced except (1) on order of the Presi-
12 dent at any time when in his judgment such reduction is re-
13 quired for purposes of the common defense, (2) in time of
14 war or during a national emergency with respect to common
15 defense proclaimed by the President, on order of such agency
16 as may be designated by the President, or (3) on order
17 the President, by transfer to the national stockpile estab-
18 lished pursuant to the Act of June 7, 1939, as amended
19 (50 U. S. C. 98-98h).

20 “(b) If the quantity of any commodity or product in
21 the national safety reserve is reduced by natural or other
22 cause beyond the control of the Corporation, there shall be
23 restored to such reserve at the earliest practicable date an
24 amount of such commodity or product equal to the amount
25 of such reduction.”

1 (e) The Secretary of Agriculture is authorized and
2 directed to make a determination with respect to each stor-
3 able food and fiber commodity or storable product of the
4 volume of such commodity or product required in the interest
5 of national security and to engage in procurement activities
6 required to place such volume in the National Safety Re-
7 serve, in such dispersed storage location as the Civilian De-
8 fense Administrator shall determine as described: *Provided,*
9 That the Secretary shall not under this section reduce the
10 supplies of any commodity below a normal year's con-
11 sumption and export needs.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program, viz: On page 11, between lines 22 and 23, insert the following:

1 (c) In order to promote best land utilization and
2 conservation and permit good farm management, the Secre-
3 tary may authorize the consolidation of acreages withheld
4 from cultivation for purposes of participation in the acreage
5 reserve program, and he shall permit the transfer between
6 any farm operated by a producer and any other farm oper-
7 ated by the same producer, either alone or together with
8 one or more other producers (including a farm acquired
9 for the sole purpose of effectuating such a consolidation),

1 of all or any part of any acreage allotment of either such
2 farm. No such transfer shall affect future acreage allotments
3 for any farm from or to which any such transfer is made.

Calendar No. 1503

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. JOHNSON of
Texas (for Mr. KEFAUVER) to the bill (S.
3183) to provide an improved farm pro-
gram.

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 11, line 2, beginning with "The", strike out
- 2 down through line 5.

2-24-56—E

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. JOHNSON of Texas (for Mr. KEFAUVER) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 24, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 36, between lines 14 and 15, insert the
2 following:

3 SEC. 406. Title III of the Agricultural Adjustment Act
4 of 1938, as amended, is amended by adding at the end
5 thereof the following:

6 “SEC. 394. Notwithstanding any other provision of law,
7 the Secretary of Agriculture is authorized, whenever he finds
8 that the total supply of any farm commodity as of the be-
9 ginning of the marketing year exceeds the reserve supply
10 thereof, to proclaim the amount of the total supply, and
11 beginning on the first day of the marketing year next fol-

1 lowing and continuing throughout such year a national mar-
2 keting quota shall be in effect for that commodity marketed
3 during such marketing year: *Provided*, That the Secretary
4 shall cause to be held a referendum by secret ballot of the
5 producers of that commodity and if more than one-third of
6 the producers of that commodity voting in such referendum
7 oppose the quota, as proclaimed by the Secretary, the quota
8 shall be ineffective from the date of the proclamation: *Pro-*
9 *vided further*, That subsequent to the proclamation of the
10 total supply but prior to the date of the referendum the
11 Secretary of Agriculture shall apportion the national mar-
12 keting quota among the several States, counties, and in-
13 dividual producers in relation to the volume of farm mar-
14 ketings of the commodity by each in the immediately pre-
15 ceding three years: *Provided further*, That notwithstand-
16 ing any other provision of law the marketing quota of any
17 producer shall not be reduced below that required for an
18 adequate family living from the production of that com-
19 modity in combination with other commodities produced on
20 the farm and the Secretary of Agriculture shall establish an
21 appropriate schedule of marketing quota percentage reduc-
22 tions from the three-year base for individual producers such
23 that larger producers will be required to take appropriately
24 larger percentage cuts than smaller producers: *And provided*
25 *further*, That the Secretary shall make known to every pro-

1 ducer his individual marketing quota at least ten days prior
2 to the date of the referendum. In administration of pro-
3 grams initiated to carry out this section the Secretary shall
4 utilize the services of the farmer committees established pur-
5 suant to section 8 (a) of the Soil Conservation and Domestic
6 Allotment Act, as amended."

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 28, at the end of line 5, add the following:
2 "No expenditure shall be made from this fund except for
3 marketing premium payments or production payments ex-
4 cept where the Secretary of Agriculture determines that the
5 purposes of this Act and improved national nutrition will
6 be furthered by purchases made from processors or other
7 vendors who certify that the producers of the commodities
8 from which the products are made received payment for the
9 commodities at the support price equivalent specified by the
10 Secretary of Agriculture."

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1936

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 11, beginning with the word "The" in line 2,
- 2 strike out down through line 5.

2-21-56—A

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 7, line 10, after "burley tobacco," insert the
2 following: "dark air-cured tobacco, fire-cured tobacco, Vir-
3 ginia sun-cured tobacco,".

4 On page 8, line 24, after "burley tobacco," insert the
5 following: "dark air-cured tobacco, fire-cured tobacco, Vir-
6 ginia sun-cured tobacco,".

7 On page 11, line 9, after "burley tobacco," insert the
8 following: "dark air-cured tobacco, fire-cured tobacco, Vir-
9 ginia sun-cured tobacco,".

AMENDMENTS

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

IN THE SENATE OF THE UNITED STATES

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 7, line 10, after "burley tobacco," insert the
2 following: "dark air-cured tobacco, fire-cured tobacco, Vir-
3 ginia sun-cured tobacco,".

4 On page 8, line 24, after "burley tobacco," insert the
5 following: "dark air-cured tobacco, fire-cured tobacco, Vir-
6 ginia sun-cured tobacco,".

7 On page 11, line 9, after "burley tobacco," insert the
8 following: "dark air-cured tobacco, fire-cured tobacco, Vir-
9 ginia sun-cured tobacco,".

AMENDMENTS

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. LANGER to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 7, beginning with line 3, strike out over through
2 line 22 on page 11.

3 On page 11, line 23, strike out "Subtitle B" and insert
4 "Subtitle A".

5 On page 21, line 12, strike out "Subtitle C" and insert
6 "Subtitle B".

7 On page 25, beginning with line 15, strike out over
8 through line 17 on page 30, and insert in lieu thereof the
9 following:

1 "TITLE III—NATIONAL EVER-NORMAL STORE-
2 HOUSE AND CONSERVATION RESERVE

3 "SEC. 301. Title I of the Agricultural Act of 1954 is
4 hereby repealed.

5 "SEC. 302. The Commodity Credit Corporation shall
6 set aside within its inventories at least one year's normal
7 domestic consumption and exports of all storable farm com-
8 modities and storable products of perishable and semiperish-
9 able farm commodities, as rapidly as the Secretary of Agri-
10 culture shall determine to be feasible with due regard to not
11 reducing any year's market volume of farm commodities
12 and their products below the quantity that will be taken by
13 consumer demand and exports in a full employment economy
14 at 100 per centum of parity prices. Such set-aside com-
15 modities and products shall be called the "national ever-
16 normal storehouse".

17 "SEC. 303. The ever-normal storehouse shall be ade-
18 quately dispersed within the geographic area of the United
19 States in relation to population distribution to serve the needs
20 of civilian defense, as determined by the Civil Defense Ad-
21 ministrator and within the geographic area of friendly free
22 democratic nations as required for collective security as
23 determined by the President upon recommendations of the
24 National Security Council.

1 “SEC. 304. The national ever-normal storehouse shall
2 not be reduced except (1) by order of the President at any
3 time when in his judgment such reduction is required for
4 purposes of the common defense or to relieve acute shortages
5 of food or fiber in case of widespread national disaster, de-
6 clared by the President; or (2) in time of war or during
7 a national emergency with respect to the common defense
8 proclaimed by the President, on order of such agency as
9 may be designated by the President.

10 “SEC. 305. The Commodity Credit Corporation is au-
11 thorized to advance not to exceed \$750,000,000 annually, in
12 addition to the authorization in section 209 (c), to expand
13 the scope of the conservation reserve program in a manner
14 that will contribute to establishment of a national conserva-
15 tion safety reserve of soil fertility and improved soil, water,
16 and related resources and reduce the volume of total agri-
17 cultural production in any year to the volume that will be
18 marketable in a year of full employment at 100 per centum
19 of parity prices. Allocation of these funds to the several
20 commodities will be determined by the extent to which the
21 gross income from the sale of each fails to reach the parity
22 income as defined in section 301 (a) (2) of the Agricultural
23 Adjustment Act of 1938, as amended.

24 “SEC. 306. The Commodity Credit Corporation is au-

1 thorized and directed through use of funds available to it to
2 extend loans for adequate periods at an interest rate equal
3 to the average net cost of funds to the Federal Government
4 and technical services to farmer-owned and farmer-controlled
5 cooperatives to build storage, processing and distributing
6 facilities required to handle the national ever-normal store-
7 house and to make binding occupancy agreements to utilize
8 at least 75 per centum of such storage space for a period of
9 not less than ten years."

84TH CONGRESS
2d Session

S. 3183

AMENDMENTS

Intended to be proposed by Mr. LANGER to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (S. 3183) to provide an improved farm program, viz: On page 1, beginning with line 3, strike out through line 24, on page 4, and insert the following:

1 TITLE I—FAMILY FARM INCOME PROTECTION

2 SEC. 101. Title I, title II, and title III of the Agri-
3 cultural Act of 1949, as amended, are hereby repealed.

4 SEC. 102. The Secretary of Agriculture (hereinafter
5 called the Secretary) is authorized and directed to make
6 available through loans, purchases, parity payments, produc-
7 tion payments, marketing premium payments, purchase
8 agreements and other operations farm income protection

1 programs to cooperators up to the limit of family farm pro-
2 duction for any crop or year's marketings of any agricultural
3 commodity, if producers have not disapproved marketing
4 quotas, marketing orders, or prescribed marketing practices
5 for such crop or year's marketings, at a level not less than
6 100 per centum of the parity price of the commodity.

7 SEC. 103. The parity price of any commodity shall be
8 the price determined by the Secretary to be required, when
9 multiplied by the average annual marketings of the com-
10 modity during the immediately preceding three years, to
11 provide the parity income for the commodity, as defined
12 in section 301 (a) (2) of the Agricultural Adjustment
13 Act of 1938, as amended.

14 SEC. 104. For purposes of this title the term "upper
15 limit of family farm production" means the total volume of
16 farm marketings that in terms of 1954 technology and farm
17 prices will enable a typical single-unit family farm to earn
18 a net family income, after paying all production costs, of
19 not more than \$6,000, except that if the operator can show
20 by attested certification that he has not employed during
21 the year more hours of hired farm labor than was performed
22 by the operator and members of his immediate family, such
23 unit shall be eligible for income protection to the full extent
24 of its farm marketings.

25 SEC. 105. Parity payments, production payments, and

1 marketing premium payments shall be the primary method
2 of carrying out family farm income protection programs
3 under this title with such payments used in workable combi-
4 nations, as may be determined by the Secretary to be appli-
5 cable to the different commodities, with loans, purchase
6 agreements, purchases, and other methods.

7 SEC. 106. Section 303 of the Agricultural Adjustment
8 Act of 1938, as amended, is amended by striking out the
9 words "corn, wheat, cotton, rice or tobacco" and substituting
10 therefor the words "any agricultural commodity" and by
11 striking out the words "parity price" and substituting there-
12 for the words "parity income".

13 SEC. 107. To carry out the purposes of this title, the
14 Secretary is authorized and directed to make use of any or all
15 price support funds, heretofore or hereafter made available
16 to him. Expenditures made to carry out the purposes of this
17 title by the Commodity Credit Corporation, as directed by
18 the Secretary, shall be reported to the Treasurer of the
19 United States who shall order the cancellation of an equiva-
20 lent value of Commodity Credit Corporation notes held by
21 the Treasury.

22 SEC. 108. The total of parity payments, production pay-
23 ments and marketing premium payments made to any single
24 farm operator or farm family shall not exceed \$2,500 in
25 any one calendar year.

1 SEC. 109. The words "production payments" means the
2 making of payments directly to producers equal to the ex-
3 tent by which average market price received by farmers
4 augmented by such marketing premium payments and parity
5 payments as may have been made for the commodity is less
6 than the parity price therefor.

7 SEC. 110. Marketing premium payments as used in this
8 title mean payments made to producers, where required, in
9 connection with special marketing programs for such com-
10 modities as may be designated by the Secretary to encourage
11 the marketing of high quality commodities in a volume bet-
12 ter balanced with consumer demand than would be the case
13 in the absence of such marketing premium payments pro-
14 gram.

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HICKENLOOPER (for himself, Mr. AIKEN, and Mr. CAPEHART) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 7, line 5, insert “(a)” immediately following
2 “SEC. 203.”

3 On page 7, line 15, insert before the period the language
4 “, or in the case of corn below their farm base acreages
5 established as provided under subsection (b) of this section
6 203”.

7 On page 7, line 16, change “(a)” to “(1)”.

8 On page 7, line 18, change “(b)” to “(2)”.

9 On page 7, line 21, change “(c)” to “(3)”.

10 On page 8, insert the following between lines 19 and 20:

1 “(b) For the year 1956, as soon as practicable after
2 the effective date of this Act, and thereafter not later than
3 February 1 of each calendar year, the Secretary shall ascer-
4 tain and proclaim (1) the commercial corn-producing area
5 provided for in Section 301 (b) (4) of the Agricultural Ad-
6 justment Act of 1938, as amended (7 U. S. C. 1301 (b)
7 (4)), and (2) the base acreage of corn for the commercial
8 corn-producing area for such calendar year which shall be
9 the average acreage of corn (planted and diverted) in the
10 commercial corn-producing area during the five calendar
11 years immediately preceding the year for which the base
12 acreage is determined. The base acreage of corn for the
13 commercial corn-producing area shall be apportioned by
14 the Secretary among the counties in such area on the basis
15 of the acreage of corn during the five calendar years imme-
16 diately preceding the calendar year for which the appor-
17 tionment is determined (plus, in applicable years, the acre-
18 age diverted under previous agricultural adjustment, con-
19 servation, and soil-bank programs), with adjustments for
20 abnormal weather conditions and for trends in acreage dur-
21 ing such period and for the promotion of soil-conservation
22 practices: *Provided*, That any downward adjustment for
23 the promotion of soil-conservation practices shall not exceed
24 2 per centum of the total acreage allotment that would
25 otherwise be made to such county. The base acreage for

1 the county shall be apportioned by the Secretary, through
2 the local committees, among the farms within the county
3 on the basis of past acreage of corn, tillable acreage, crop
4 rotation practices, type of soil, and topography.”

5 On page 9, line 14, strike out words “acreage reserve”.

6 On page 9, lines 20, 21, and 24, strike out the words
7 “and cotton”.

8 On page 9, line 21, insert after the word “grains” the
9 following: “when the producer certifies to the Secretary that
10 he will use such grain entirely for his own feeding or planting
11 operations,”.

12 On page 9, line 22, strike the figure “110” and insert
13 in lieu thereof the figure “115”.

14 On page 10, line 3, strike the word “higher” and
15 insert the word “lower”, and after the parenthesis add the
16 following: “: *Provided*, That disposition of quantities of
17 stocks thereunder in any one year, shall be limited to two-
18 thirds of such quantities of such commodities as the Secretary
19 determines would be a reasonable estimate of what would
20 have been produced for marketing during such marketing
21 year on the acreage withheld from production under the
22 provisions of this Act”.

23 On page 10, line 21, after the period, insert the follow-
24 ing sentence: “The rates of payment offered under this sec-

1 tion shall be graduated so as to encourage producers to
2 underplant their allotments more than one year.”

3 On page 9, transfer section 205 to follow section
4 217 on page 22 and appropriately number the section and
5 renumber the sections of the bill.

6 On page 36, between lines 14 and 15, insert:

7 “SEC. . Not later than December 15, 1956, pro-
8 ducers of corn in the commercial corn area, as determined
9 for the 1956 crop year, shall be given an opportunity
10 through a referendum to be conducted by the Secretary to
11 determine by a majority vote whether acreage allotments
12 and price supports as presently required by law shall be
13 reinstated in 1957 and subsequent years, or whether
14 acreage allotments shall be terminated and provisions made
15 for establishing price supports at such a level as will assist
16 farmers in marketing corn in the normal channels of trade
17 but not encourage the uneconomic production of corn.”

AMENDMENTS

Intended to be proposed by Mr. HICKENLOOPER
(for himself, Mr. AIKEN, and Mr. CARP-
HART) to the bill (S. 3183) to provide an
improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

IN THE SENATE OF THE UNITED STATES

Ordered to lie on the table and to be printed

Intended to be proposed by Mr. WATKINS to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 4, between lines 22 and 23, insert the fol-
2 lowing:

3 "CERTIFICATION OF RECEIPT OF SUPPORT PRICES BY
4 PRODUCERS

5 “SEC. 107. Section 401 (e) of the Agricultural Act of
6 1949, as amended, is amended to read as follows:

7 “(e) Whenever any price support or surplus removal
8 operation for any agricultural commodity is carried out
9 through purchases from or loans or payments to processors,
10 the Secretary shall obtain certifications from such processors
11 that the producers of the agricultural commodities involved

1 have received not less than the support price therefor or,
 2 in the case of commodities for which no support price has
 3 been established, such price, not less than 75 per centum
 4 of the parity price, as may be determined by the Secretary
 5 to be necessary to provide a reasonable return to such
 6 producers.' ”

7 On page 4, line 24, strike out “107” and insert “108”.

Calendar No. 1503

84TH CONGRESS
2d Session

S. 3183

AMENDMENTS

Intended to be proposed by Mr. WATKINS to the
 bill (S. 3183) to provide an improved farm
 program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ANDERSON (for himself, Mr. AIKEN, Mr. HOLLAND, Mr. WILLIAMS, Mr. HICKEN-LOOPER, and Mr. SCHOEPPEL) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 1, beginning with line 6, strike out through
- 2 line 2 on page 2.

2-22-56—O

AMENDMENT

Intended to be proposed by Mr. ANDERSON (for himself, Mr. AIKEN, Mr. HOLLAND, Mr. WILLIAMS, Mr. HICKENLOOPER, and Mr. SCHORER) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN (for himself, Mr. ANDERSON, Mr. WILLIAMS, and Mr. HOLLAND) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 4, strike out lines 14 through 22.

2-22-56—N

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. AIKEN (for himself, Mr. ANDERSON, Mr. WILLIAMS, and Mr. HOLLAND) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WATKINS to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 25, between lines 14 and 15, insert the
2 following:

3 “PARTICIPATION IN ACREAGE RESERVE PROGRAM AS CON-
4 DITION OF ELIGIBILITY FOR PRICE SUPPORT AND SOIL
5 CONSERVATION BENEFITS

6 “SEC. 225. (a) Section 401 (c) of the Agricultural Act
7 of 1949, as amended, is amended by inserting after ‘pre-
8 scribed by the Secretary,’ the following: ‘and participation
9 in the acreage reserve program under subtitle A of the Soil
10 Bank Act,’.

11 “(b) Section 8 (b) of the Soil Conservation and Do-

1 mestic Allotment Act, as amended, is amended by adding at
 2 the end of the first paragraph thereof a new sentence as
 3 follows: 'Participation in the acreage reserve program under
 4 subtitle A of the Soil Bank Act shall be required as a con-
 5 dition of eligibility for payments under this section in the
 6 case of producers of the commodities referred to in section
 7 203 of such Act.'"

8 On page 36, between lines 14 and 15, insert the
 9 following:

10 "COMPLIANCE WITH ACREAGE ALLOTMENTS AS A CON-
 11 DITION OF ELIGIBILITY FOR SOIL CONSERVATION
 12 BENEFITS

13 "SEC. 406. The Agricultural Adjustment Act of 1938,
 14 as amended, is amended by inserting after section 347 a
 15 new section as follows:

16 "SEC. 348. (a) Any person who knowingly harvests
 17 any acreage of any basic agricultural commodity on his farm
 18 which has been determined by the Secretary to be in excess
 19 of the farm acreage allotment for such commodity for the
 20 farm for such year under this title shall not be eligible for
 21 any payment for such year under the Soil Conservation and
 22 Domestic Allotment Act, as amended. For the purposes
 23 of this section, no person shall be deemed to have harvested
 24 any acreage of any basic agricultural commodity in excess
 25 of his farm acreage allotment by reason of harvesting corn

1 for ensilage, harvesting wheat in an amount not in excess of
2 fifteen acres, harvesting a commodity or a crop with respect
3 to which producers have rejected marketing quotas in a
4 marketing quota referendum or harvesting peanuts for seed
5 to be used for the raising of peanuts to be hogged off.

6 ““(b) Persons applying for any payment of money
7 under the Soil Conservation and Domestic Allotment Act,
8 as amended, shall be required to establish their eligibility for
9 such payment under this section in such manner as the Secre-
10 tary may prescribe by regulation.’”

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. WATKINS to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS to the bill
(S. 3183) to provide an improved farm program, viz:

- 1 On page 15, line 5, after the period, insert the follow-
- 2 ing: "No annual payment to any person with respect to
- 3 land in any one State shall exceed \$7,500."

2-22-56—C

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. WILLIAMS to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 On page 11, line 5, after the period, insert the follow-
- 2 ing: "The compensation paid any producer for participating
- 3 in the acreage reserve program with respect to land in any
- 4 one State in any year shall not exceed \$25,000."

AMENDMENT

Intended to be proposed by Mr. Williams to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 4, strike out lines 5 through 13.

2-22-56—A

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENT

Intended to be proposed by Mr. ANDERSON to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

84TH CONGRESS
2D SESSION

Calendar No. 1503

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. LANGER to the bill (S. 3183)
to provide an improved farm program, viz:

1 On page 7, beginning with line 3, strike out over through
2 line 22 on page 11.

3 On page 11, line 23, strike out "Subtitle B" and insert
4 "Subtitle A".

5 On page 21, line 12, strike out "Subtitle C" and insert
6 "Subtitle B".

7 On page 25, beginning with line 15, strike out over
8 through line 17 on page 30, and insert in lieu thereof the
9 following:

1 "TITLE III—NATIONAL EVER-NORMAL STORE-
2 HOUSE AND CONSERVATION RESERVE

3 "SEC. 301. Title I of the Agricultural Act of 1954 is
4 hereby repealed.

5 "SEC. 302. The Commodity Credit Corporation shall
6 set aside within its inventories at least one year's normal
7 domestic consumption and exports of all storable farm com-
8 modities and storable products of perishable and semiperish-
9 able farm commodities, as rapidly as the Secretary of Agri-
10 culture shall determine to be feasible with due regard to not
11 reducing any year's market volume of farm commodities
12 and their products below the quantity that will be taken by
13 consumer demand and exports in a full employment economy
14 at 100 per centum of parity prices. Such set-aside com-
15 modities and products shall be called the "national ever-
16 normal storehouse".

17 "SEC. 303. The ever-normal storehouse shall be ade-
18 quately dispersed within the geographic area of the United
19 States in relation to population distribution to serve the needs
20 of civilian defense, as determined by the Civil Defense Ad-
21 ministrator and within the geographic area of friendly free
22 democratic nations as required for collective security as
23 determined by the President upon recommendations of the
24 National Security Council.

1 “SEC. 304. The national ever-normal storehouse shall
2 not be reduced except (1) by order of the President at any
3 time when in his judgment such reduction is required for
4 purposes of the common defense or to relieve acute shortages
5 of food or fiber in case of widespread national disaster, de-
6 clared by the President; or (2) in time of war or during
7 a national emergency with respect to the common defense
8 proclaimed by the President, on order of such agency as
9 may be designated by the President.

10 “SEC. 305. The Commodity Credit Corporation is au-
11 thorized to advance not to exceed \$750,000,000 annually, in
12 addition to the authorization in section 209 (c), to expand
13 the scope of the conservation reserve program in a manner
14 that will contribute to establishment of a national conserva-
15 tion safety reserve of soil fertility and improved soil, water,
16 and related resources and reduce the volume of total agri-
17 cultural production in any year to the volume that will be
18 marketable in a year of full employment at 100 per centum
19 of parity prices. Allocation of these funds to the several
20 commodities will be determined by the extent to which the
21 gross income from the sale of each fails to reach the parity
22 income as defined in section 301 (a) (2) of the Agricultural
23 Adjustment Act of 1938, as amended.

24 “SEC. 306. The Commodity Credit Corporation is au-

1 thorized and directed through use of funds available to it to
2 extend loans for adequate periods at an interest rate equal
3 to the average net cost of funds to the Federal Government
4 and technical services to farmer-owned and farmer-controlled
5 cooperatives to build storage, processing and distributing
6 facilities required to handle the national ever-normal store-
7 house and to make binding occupancy agreements to utilize
8 at least 75 per centum of such storage space for a period of
9 not less than ten years.”

84TH CONGRESS
2D Session

S. 3183

AMENDMENTS

Intended to be proposed by Mr. LANGER to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 22, 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 11, beginning with the word "The" in line 2,
- 2 strike out down through line 5.

2-21-56—A

AMENDMENT

Intended to be proposed by Mr. CLEMENTS (for himself and Mr. BARKLEY) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 21, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. GEORGE (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 3, beginning with line 23, strike out over
- 2 through line 4 on page 4.
- 3 On page 4, line 6, strike out "105" and insert "104";
- 4 line 15, strike out "106" and insert "105"; and line 24,
- 5 strike out "107" and insert "106".

84TH CONGRESS
2D SESSION

S. 3183

AMENDMENTS

Intended to be proposed by Mr. GEORGE (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2^D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program, viz: On page 3, between lines 22 and 23, insert the following:

1 PRICE SUPPORTS—FEED GRAINS

2 SEC. 104. Title II of the Agricultural Act of 1949, as
3 amended, is amended by adding at the end thereof a new
4 section as follows:

5 “SEC. 204. The price of grain sorghums, barley, oats,
6 and rye, respectively, shall be supported through loans,
7 purchases, or other operations at a price determined by the
8 Secretary to bear the same ratio to the support price of
9 corn in the commercial corn-producing area as the feed
10 value equivalents of such grains bear to the feed value of
11 corn.”

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 20, 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. JOHNSTON of South Carolina
to the bill (S. 3183) to provide an improved farm program,
viz:

- 1 Beginning on page 3, with line 23, strike out through
- 2 line 4 on page 4.

2-20-56—A

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. Johnston of South Carolina to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 20, 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. KERR (for himself and Mr. GEORGE) to the bill (S. 3183) to provide an improved farm program, viz:

- 1 On page 27, line 22, strike out "\$250,000,000" and
- 2 insert "\$500,000,000".

AMENDMENT

Intended to be proposed by Mr. KERR (for himself and Mr. George) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956
Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. KERR (for himself and Mr. GEORGE) to the bill (S. 3183) to provide an improved farm program, viz:

1 On page 4, between lines 13 and 14, insert the following:

2 “PRICE SUPPORTS—HOGS, BEEF CATTLE

3 “SEC. 106. Title II of the Agricultural Act of 1949,
4 as amended, is amended by adding at the end thereof a new
5 section as follows:

6 “ ‘SEC. 204. The price of hogs and beef cattle shall be
7 supported through loans, purchases, or other operations at
8 90 per centum of their respective parity prices.’ ”

9 On page 4, line 15, strike out “106” and insert “107”;
10 and in line 24, strike out “107” and insert “108”.

AMENDMENTS

Intended to be proposed by Mr. KERR (for himself and Mr. GEORGE) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956
Ordered to lie on the table and to be printed

Calendar No. 1503

84TH CONGRESS
2D SESSION

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program, viz: On page 3, between lines 22 and 23, insert in the following:

1 PRICE SUPPORTS—COTTONSEED

2 SEC. 103. Title II of the Agricultural Act of 1949, as
3 amended, is amended by adding at the end thereof a new
4 section as follows:

5 “SEC. 204. The price of cottonseed shall be supported
6 through loans, purchases, or other operations at not less
7 than 90 per centum of the parity price therefor.”

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183)
to provide an improved farm program, viz:

- 1 On page 29, beginning with line 17, strike out over
- 2 through line 17 on page 30.

2-17-56—D

84TH CONGRESS
2d Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. KERR to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

S. 3183

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. GEORGE (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program, viz: On page 4, between lines 22 and 23 insert the following:

1 SEC. 107. Section 401 (e) of the Agricultural Act of
2 1949, as amended, is amended by adding at the end thereof
3 the following: "In the case of any such operation which
4 is carried out through purchases, regardless of the source
5 of the funds used for such purpose, the Secretary shall obtain
6 from the processor a certification that the price received
7 by the producer for the agricultural commodity involved
8 was not less than the support price therefor or, in the
9 absence of a support price, a fair price as determined by the
10 Secretary."

84TH CONGRESS
2D Session

S. 3183

AMENDMENT

Intended to be proposed by Mr. GEORGE (for himself and Mr. KERR) to the bill (S. 3183) to provide an improved farm program.

FEBRUARY 17 (legislative day, FEBRUARY 16), 1956

Ordered to lie on the table and to be printed